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# INDIVIDUAL INCOME TAX RETURNS 1989

▲ RETURNS FILED \$ TAX COMPUTATIONS \$

SALARIES & WAGES \$ TAXABLE INCOME ▼

▲ EXEMPTIONS \$ STANDARD DEDUCTIONS

ADJUSTED GROSS INCOME \$ INCOME TAX

NET GAINS ▲ NET LOSSES ▼ TAX LIABILITY

ITEMIZED DEDUCTIONS \$ ADJUSTMENTS ▼

▼ IRAS \$ MARITAL STATUS ▼ DEPENDENTS

INTEREST ▼ ALTERNATIVE MINIMUM TAX

\$ NONTAXABLE RETURNS ▼ TAX REFUNDS

▲ TAX CREDITS ▼ SOURCES OF INCOME \$

DIVIDENDS ▲ ROYALTIES \$ CAPITAL GAINS

\$ EARNED INCOME CREDIT ▼ TAX RATES ▲

STATISTICS OF INCOME DIVISION



Department  
of the  
Treasury  
Internal  
Revenue  
Service

# Individual Income Tax Returns 1989

Publication 1304 (Rev. 9-92)

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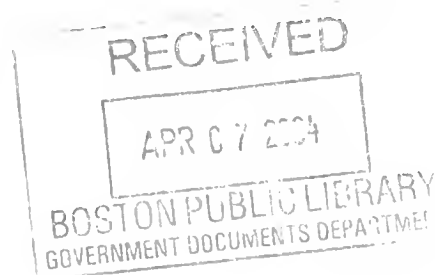
This report contains data on sources of income, adjusted gross income, exemptions, deductions, taxable income, income tax, modified income tax, tax credits, self-employment tax, and taxpayments. Classifications are by tax status, size of adjusted gross income, marital status, and type of tax computation.

Additional unpublished information from individual income tax returns, classified by size of adjusted gross income, is available on a reimbursable basis. A public-use computer tape file, i.e., the Individual Tax File, containing the records selected for the Statistics of Income sample is also available on a reimbursable basis. This file is suitable primarily for making national level estimates.

The Statistics of Income Division Statistical Information Services (SIS) staff provides data, statistical analysis, and information in response to requests from customers in the IRS, other Government agencies, congressional offices, businesses, academic institutions, and the public. In addition, the SIS staff provides data referral services, acts as liaison between requesters and IRS analysts on technical questions, and arranges for sales or transmittals of publications and published tables. The SIS staff can be reached by telephone on (202) 874-0410 or by FAX (202) 874-0922.

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# Contents

<b>Section 1</b>	<b>Page</b>
Introduction and Changes in Law	
Requirements for Filing . . . . .	1
Changes in Law . . . . .	4
The 1979 Income Concept . . . . .	6
Comparison of Adjusted Gross Income with 1979 Income Concept . . . . .	7
 <b>Section 2</b>	
Description of the Sample	
Sample Selection . . . . .	13
Sample Design and Selection Criteria . . . . .	13
Method of Estimation . . . . .	14
Table Presentation . . . . .	14
Processing and Management of the Sample . . . . .	14
Sample Redesign . . . . .	16
 <b>Section 3</b>	
Basic Tables	
Part 1-Returns Filed and Sources of Income . . . . .	18
Part 2-Exemptions and Itemized Deductions . . . . .	39
Part 3-Tax Computations . . . . .	46
 <b>Section 4</b>	
Explanation of Terms . . . . .	59
 <b>Section 5</b>	
1989 Forms and Instructions . . . . .	79
 <b>Section 6</b>	
Index . . . . .	129



# Section 1

# Introduction and Changes in Law\*

This report contains complete individual income tax data for Tax Year 1989. The statistics are estimates based on a stratified probability sample of individual income tax returns, selected before audit, and represent coverage of approximately 112 million Forms 1040, 1040A, and 1040EZ filed by the nation's taxpayers for Tax Year 1989.

Table A on the following page shows selected income and tax items for Tax Years 1975, 1980, 1985, 1988, and 1989, with the percentage change from Tax Year 1988 to 1989. **When comparing income and tax items from different years, it is important to note any changes in the tax law; of special importance are the changes generated by the Tax Reform Act of 1986**

From 1988 to 1989, the number of returns filed increased by 2.4 million, and adjusted gross income (AGI) increased by more than \$173.3 billion, or 5.6 percent. Total income tax (the sum of income tax after credits and the alternative minimum tax) rose 4.9 percent from 1988 to 1989.

This report is divided into six sections. Section 1 includes requirements for filing, changes in tax law for 1989 which may affect the statistics, and an explanation of the 1979 Income Concept.

The 1979 Income Concept is a consistent measure of income which is used to compare average tax rates from 1986 to 1989, showing the difference before and after tax reform. Section 2 gives a description of the sample of income tax returns upon which the statistics are based, and Section 3 contains the basic tables of detailed statistics on individual tax returns. Section 4 provides an explanation of the terms used in the tables. The tax return forms and instructions appear in Section 5, and Section 6 contains an index.

## Requirements for Filing

The Internal Revenue Code of 1986, as amended, provides the legal basis for the tax activity detailed in this volume. For Tax Year 1989, the principal criteria that determined the general filing requirements were gross income, filing status, marital status, and age. Gross income included all income received in the form of money, property, and services that were not expressly exempt from tax.

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\*Edward Gross, Jr. was responsible for the production of this report. Louella Ballenger, Charles Hicks and Dodie Riley made contributions to the text. Technical assistance was provided by Michael Strudler. Copy design and preparation were completed by Edward Gross, Jr. This report was prepared under the direction of Jeff Hartzok, Chief, Returns Analysis Section, Individual Statistics Branch.

## Individual Returns/1989

Table A.—Selected Income and Tax Items for Selected Years, 1975–1989

[All figures are estimates based on samples—money amounts are in thousands of dollars]

Item	1975	1980	1985	1988	1989	Percent change, 1988 to 1989
	(1)	(2)	(3)	(4)	(5)	(6)
All returns . . . . .	82,229,332	93,902,469	101,660,287	109,708,280	112,135,673	2.2
Form 1040 returns . . . . .	54,527,726	57,122,592	67,006,425	71,359,242	71,563,456	0.3
Form 1040A returns . . . . .	27,701,606	36,779,877	18,124,702	19,066,165	20,478,063	7.4
Form 1040EZ returns . . . . .	(N.A.)	(N.A.)	16,529,160	19,282,873	20,094,154	4.2
Total income, amount . . . . .	962,886,872	1,642,345,558	2,401,033,782	3,111,221,671	3,280,931,125	5.5
Adjusted gross income, less deficit . . . . .	947,784,873	1,613,731,497	2,305,951,483	3,083,019,783	3,256,358,156	5.6
Salaries and wages:						
Number of returns . . . . .	73,520,046	83,802,109	87,198,001	93,257,370	95,487,922	2.4
Amount . . . . .	795,399,462	1,349,842,802	1,928,200,978	2,337,984,129	2,449,530,553	4.8
Taxable interest received:						
Number of returns . . . . .	40,378,240	49,019,575	64,526,434	69,421,338	69,881,648	0.7
Amount . . . . .	43,433,554	102,009,444	182,109,194	186,981,636	220,015,823	17.7
Dividends in adjusted gross income:						
Number of returns . . . . .	8,853,491	10,738,982	15,527,579	22,903,155	23,079,592	0.8
Amount . . . . .	21,892,126	38,761,253	55,046,351	77,329,507	81,309,036	5.1
Business or profession net income less loss:						
Number of returns . . . . .	7,242,542	8,881,119	11,900,341	13,571,440	14,160,696	4.3
Amount . . . . .	39,421,478	55,129,154	78,772,577	126,323,250	132,737,680	5.1
Net capital gain less loss in adjusted gross income <sup>1</sup> :						
Number of returns . . . . .	7,962,663	8,929,474	12,579,494	14,309,235	15,059,662	5.2
Amount . . . . .	14,307,158	29,659,600	68,277,779	153,768,209	145,630,930	-5.3
Pensions and annuities in adjusted gross income:						
Number of returns . . . . .	5,088,937	7,373,704	13,133,295	16,481,248	16,816,830	2.0
Amount . . . . .	20,886,871	43,339,736	95,096,003	138,785,886	147,358,442	6.2
Rent and royalty net income less loss in adjusted gross income:						
Number of returns . . . . .	7,143,812	8,208,132	9,544,495	9,985,858	9,747,254	-2.4
Amount . . . . .	5,202,078	4,105,381	-12,963,726	-1,278,809	-1,438,255	12.5
Partnership and S Corporation net income less loss:						
Number of returns . . . . .	(U)	(U)	5,487,671	5,899,223	5,928,288	0.5
Amount . . . . .	12,811,091	10,099,346	-2,526,591	57,080,226	63,092,056	10.5
Farm net income less loss:						
Number of returns . . . . .	2,755,041	2,608,430	2,620,861	2,367,527	2,359,718	-0.3
Amount . . . . .	3,563,325	-1,792,466	-12,005,483	-1,176,537	-213,939	(N.A.)
Total statutory adjustments:						
Number of returns . . . . .	9,024,255	13,148,919	37,763,418	10,747,370	9,926,729	-7.6
Amount . . . . .	15,101,999	28,614,061	95,082,299	28,201,888	24,572,969	-12.9
Individual Retirement Arrangement payments:						
Number of returns . . . . .	1,211,794	2,564,421	16,205,846	6,361,421	5,824,914	-8.4
Amount . . . . .	1,436,443	3,430,894	38,211,574	11,881,754	10,828,694	-8.9
Self-employed (Keogh) retirement plan:						
Number of returns . . . . .	595,892	568,936	675,822	814,586	822,353	1.0
Amount . . . . .	1,603,788	2,007,666	5,181,993	6,626,908	6,326,156	-4.5
Number of exemptions . . . . .	212,202,596	227,925,098	244,180,202	221,884,006	223,756,252	0.8
Total deductions:						
Number of returns . . . . .	81,585,541	88,491,251	96,848,626	108,819,935	111,311,212	2.3
Amount . . . . .	233,181,778	346,000,155	554,733,523 <sup>2</sup>	685,954,065 <sup>3</sup>	740,409,033 <sup>3</sup>	7.9
Total itemized deductions:						
Number of returns . . . . .	26,074,061	28,950,282	39,848,184	31,902,985	31,972,317	0.2
Amount . . . . .	122,260,601	218,028,139	405,023,525	395,216,456	430,977,999	9.1
Medical and dental expense . . . . .	11,422,312	14,972,082	22,926,214	17,993,829	20,920,881	16.3
Taxes paid . . . . .	44,141,289	69,404,275	128,084,618	120,628,182	131,299,652	8.9
Interest paid . . . . .	38,885,282	91,187,006	180,094,578	179,737,720	193,186,034	7.5
Contributions . . . . .	15,393,331	25,809,608	47,962,848	50,949,273	55,459,205	8.9
Taxable income:						
Number of returns . . . . .	65,852,602	88,104,696	96,124,046	90,281,729	92,313,789	2.3
Amount . . . . .	595,492,866	1,279,985,360	1,820,740,833	2,069,966,980	2,173,345,881	5.0
Income tax before credits:						
Number of returns . . . . .	65,854,734	76,135,819	85,994,216	90,218,979	92,246,065	2.3
Amount . . . . .	132,452,044	256,294,315	332,165,333	418,889,165	438,240,138	4.6
Total tax credits . . . . .	8,069,846	7,215,839	10,248,044	7,047,140	6,131,134	-13.0
Child care credit . . . . .	(N.A.)	956,439	3,127,702	3,812,849	2,439,471	-36.0
Credit for the elderly or disabled . . . . .	128,968	134,993	108,642	68,904	64,490	-6.4
Foreign tax credit . . . . .	381,985	1,341,675	782,561	1,087,203	1,311,742	20.7
Income tax after credits . . . . .	124,382,197	249,078,475	321,917,289	411,842,025	432,109,004	4.9
Total income tax:						
Number of returns . . . . .	61,490,737	73,906,244	82,846,420	87,135,332	89,178,355	2.3
Amount . . . . .	124,526,297	250,341,440	325,710,254	412,869,909	432,939,998	4.9

(N.A.) Not applicable

(U) Unavailable

<sup>1</sup> Includes capital gain distributions.<sup>2</sup> Includes total itemized deductions, charitable contributions for non-itemizers, and zero bracket amount on non-itemized deductions.<sup>3</sup> Includes total itemized deductions, and basic and additional standard deductions (zero bracket amount in lieu of standard deduction for prior year returns).



**Figure 1.—General Filing Requirements**

Marital Status	Filing Status	Age	Gross Income
Single (including divorced and legally separated)	Single	under 65 65 or older	\$5,100 \$5,850
	Head of household	under 65 65 or older	\$6,550 \$7,300
Married with a child and living apart from spouse during the last 6 months of 1989	Head of household	under 65 65 or older	\$6,550 \$7,300
Married and living with spouse at end of 1989 (or on the date spouse died)	Married, joint return	under 65 (both spouses) 65 or older (one spouse) 65 or older (both spouses)	\$9,200 \$9,800 \$10,400
	Married, separate return	any age	\$2,000
Married not living with spouse at end of 1989 (or on the date spouse died)	Married, joint or separate return	any age	\$2,000
Widowed before 1989 and not remarried in 1989	Single	under 65 65 or older	\$5,100 \$5,850
	Head of household	under 65 65 or older	\$6,550 \$7,300
	Qualifying widow(er) with dependent child	under 65 65 or older	\$7,200 \$7,800

Generally, a U.S. citizen or resident had to file a tax return if gross income for the year was at least as much as the amount shown for the appropriate filing status in Figure 1 above. Figure 2 must be used if a taxpayer can be claimed as a dependent by another person (such as a parent).

In addition to these filing requirements, an individual had to file a return for Tax Year 1989 if he or she:

(1) was liable for any of the following taxes:

- social security tax on unreported tip income;
- uncollected social security tax or railroad retirement tax on reported tip income;
- tax on an individual retirement arrangement (IRA) or other qualified retirement plan;
- alternative minimum tax;

- tax from the recapture of investment credit or low income housing credit.

- (2) received advanced earned income payments;
- (3) had net earnings of at least \$400 from self-employment income; or
- (4) had wages of \$100 or more from a church or qualified church-controlled organization that was exempt from employer social security taxes.

Data shown in these tables include individuals who were not required to file tax returns but filed in order to obtain refunds of tax withheld or to take advantage of the earned income credit.

## Changes in Law

All major changes in effect for Tax Year 1989 that are included in Statistics of Income data are listed below in alphabetical order. Section 4 contains more detailed explanations and definitions of the terms used in this report.

### Child Care Credit

Beginning in 1989, the following new rules were applicable:

- Payments for the care of a dependent child could be claimed only if the child was disabled or under age 13; the limit was under age 15 for Tax Year 1988.

- The care provider had to be identified (by social security or employer identification number) on the return.
- The dollar limit had to be reduced by any employer-provided dependent care benefits that could be excluded in the computation of AGI.

### Earned Income Credit

The earned income credit was increased to a maximum \$910 for 1989. Some credit was available for qualified individuals whose earned income and AGI were each less than \$19,340. For 1988, the maximum credit was \$874, and the credit phased out entirely if income or earnings exceeded \$18,576.

## Figure 2.—Filing Requirements for Children and Other Dependents

If someone (such as a parent) can claim the filer as a dependent, use Figure 2 to determine if a return must be filed. Unearned income includes taxable interest and dividends. Earned income includes wages, tips, and taxable scholarships and fellowships.

### 1. A single dependent under 65

Must file a return if—

His or her unearned income was:	and	the total of that income plus earned income was:
\$1 or more		more than \$500
\$0		more than \$3,100

### 2. A single dependent 65 or older or blind

Must file a return if—

- His or her earned income was more than \$3,850, or
- His or her unearned income was more than \$1,250 (\$2,000 if 65 or older and blind), or
- His or her gross income was more than the total of earned income (up to \$3,100) or \$500, whichever is larger, plus \$750 (\$1,500 if 65 or older and blind).

**Exception for Children Under Age 14.** If a child was under the age of 14 on January 1, 1990, and all of the following apply, a filer may elect to report the child's income on his or her return. If this election is made, the child does not have to file a return.

- The child had income only from interest and dividends;
- The child's gross income was less than \$5,000; and

### 3. A married dependent under 65

Must file a return if—

- His or her earned income was more than \$2,600, or
- He or she had any unearned income and gross income was more than \$500, or
- His or her gross income was at least \$5 and spouse files a separate return on Form 1040 and itemizes deductions.

### 4. A married dependent 65 or older or blind

Must file a return if—

- His or her earned income was more than \$3,200, or
- His or her unearned income was more than \$1,100 (\$1,700 if 65 or older and blind), or
- His or her gross income was more than the total of earned income (up to \$2,600), or \$500, whichever is larger, plus \$600 (\$1,200 if 65 or older and blind), or
- His or her gross income was at least \$5 and spouse files a separate return on Form 1040 and itemizes deductions.

- The child had no Federal income tax withheld from his or her income (backup withholding) or did not make estimated tax payments for 1989.

If the child's parents are not filing a joint return, special rules apply to determine which parent may make the election. Details may be found in **Form 8814, Parent's Election to Report Child's Interest and Dividends**, for details.

## Employee Business Expenses

For Tax Year 1988, there was an adjustment as well as an itemized deduction item for employee business expenses. The adjustment item was to cover expenses that were included as income on the taxpayer's Forms W-2 and 1040; the deduction item was for unreimbursed expenses. For 1989, employers were to include only "nonaccountable" business expenses on Form W-2. "Accountable" expenses were to be excluded from income and shown neither as an adjustment nor a deduction. All other employee business expenses could be deducted only as an itemized deduction, subject to reduction by 2 percent of AGI.

## Exemptions

The amount of each individual personal exemption increased to \$2,000 for 1989 from \$1,950 for 1988. As was true for 1988, the deduction for exemptions was phased out for taxpayers with taxable income above certain limits. These limits, which varied according to marital status, were adjusted for inflation for Tax Year 1989. See also Tax Rates.

For Tax Year 1989, an age limit for students was introduced to the exemption qualification test: to qualify for the exemption, a student had to be under age 24. For previous years, any dependent child who was a full-time student could qualify for the exemption.

## Interest Paid Deduction

For 1989, the deductible portion of personal interest was limited to 20 percent of expenditures for personal interest, which included interest on credit cards, car loans, or personal loans. For 1988, 40 percent of personal interest was deductible.

## Passive Losses

Under the Tax Reform Act of 1986, some of the "passive" losses (i.e., those generated by any

trade, business, or rental activity in which the taxpayer did not materially participate) entered into before October 23, 1986 were allowed to offset "nonpassive income". For Tax Year 1989, 20 percent of such losses were allowed to offset nonpassive income, down from 40 percent allowed for 1988. The disallowed, or nondeductible, passive losses for 1989 could, in many cases, be carried forward to 1990. (Most of the passive loss activity was concentrated in partnerships and rental activities on Schedule E.)

## Parent's Election to Report Child's Interest and Dividends

For Tax Year 1989, a child's interest and dividends could be reported on the parent's return if the child was under age 14 on January 1, 1990, and met certain other conditions. If this election was made, the child was not required to file a return.

## Pensions and Annuities

For Tax Year 1989, a 50 percent excise tax was applied to excess accumulations in any qualified pension plan. In previous years, the 50 percent tax applied only when required distributions were not made from Individual Retirement Arrangements, but it did not apply to other pension plans which qualified for special tax treatment under the Internal Revenue Code. See also Penalty Tax on Qualified Retirement Plans in Section 4.

## Self-Employment Tax

The maximum net earnings subject to self-employment tax increased to \$48,000 for 1989 from \$45,000 for 1988, while the net tax rate remained at 13.02 percent for 1989.

## Standard Deduction

As the result of an inflation adjustment, the basic standard deduction was increased for 1989.

The standard deduction rose from \$3,000 to \$3,100 for single taxpayers, from \$5,000 to \$5,200 for those filing joint returns, from \$2,500 to \$2,600 for married filing separately, and from \$4,400 to \$4,550 for heads of household. The additional standard deduction for taxpayers age 65 or older or blind also increased for 1989. See also Section 4, Standard Deduction.

## Tax Rates

For 1989, the tax rate schedules contained the same two basic rates as for 1988: 15 and 28 percent, plus a range in which an additional 5 percent rate applied. The income levels at which the rate increased to 28 percent, and at which the 5 percent additional rate applied were all indexed for inflation.

For single filers, taxable income in excess of \$18,550 was taxed at the 28 percent rate, an increase over the \$17,850 breakpoint for 1988. For married couples filing jointly and qualifying widow(er)s, the breakpoint amount for 1989 was \$30,950, up from \$29,750 for 1988. The breakpoints for heads of households and married couples filing separately were \$24,850 and \$15,475, respectively.

Taxable income in excess of \$44,900 if the taxpayer was single, \$74,850 if married filing jointly or a qualifying widow(er), \$64,200 if head of household, and \$37,425 if married filing separately, was subject to the additional 5 percent tax. The purpose of this was to phase out the benefits of the 15 percent tax rate and the deduction for personal exemptions for taxpayers and dependents. The benefits of the 15 percent tax rate bracket were phased out, and completely disappeared at varying levels of taxable income, according to filing status: \$93,130 for single taxpayers, \$155,320 for married filing jointly and qualifying widow(er)s, \$128,810 for heads of households, and \$117,895 for married filing separately. After the benefits of personal exemptions were also phased out, a 28 percent tax was imposed on each additional dollar of taxable income.

## The 1979 Income Concept

### A Retrospective Income Definition

In order to analyze changes in income and taxes over a period of years, a consistent definition of income must be used. The income concept available from Federal income tax returns, AGI, was designed to facilitate tax administration, and its definition has changed to reflect modifications to the Internal Revenue Code. Tax laws of the 1980's—the Economic Recovery Tax Act of 1981, the Tax Equity and Fiscal Responsibility Act of 1982, the Tax Reform Act of 1984, and the Tax Reform Act of 1986—made significant changes to the components of AGI, which made it more difficult to use AGI for accurate comparisons of income from year to year. For this reason, it was decided to develop an income definition that would be applicable over several years and allow comparisons both before and after the major tax legislation of the 1980's.

The result was a retrospective income definition known as the *1979 Income Concept*, reflecting a base period from 1979 through 1986. It was calculated using only data available from individual income tax returns; by using the same income items in the calculation each year, its definition was consistent throughout the base years. In addition, this retrospective income definition could be used in future years to compare income by continuing to include the same components that were common to all years [1].

The calculation of the 1979 Income Concept is shown in Figure 3. Several items partially excluded from AGI for the base years were fully included in this new income measure, the largest of which was capital gains. The full amount of all capital gains, as well as all dividends and unemployment compensation, was included in the income calculation. Total pensions, annuities, IRA distributions, and rollovers were added, including

### Figure 3.—Calculation of the 1979 Income Concept for 1989

#### 1979 Total Income Concept =

Salaries and wages\*

plus (+):

- Interest\*
- Dividends (without any exclusion)\*
- Alimony received\*
- Capital gains (without any exclusion) reported on Schedule D and allowable losses\*
- Capital gains and losses not reported on Schedule D (without any exclusion)\*
- Other gains or losses (Form 4797)\*
- Net business income or loss\*
- Net farm income or loss\*
- Net rent income or loss\*
- Net royalty income or loss\*
- Net partnership income or loss\*
- Net Subchapter S Corporation income or loss\*
- Net farm rental income or loss\*
- Net estate and trust income or loss\*
- Unemployment insurance income reported\*
- Depreciation in excess of straight-line depreciation\*\*
- Total pension income reported\*\*
- Other net income\*

minus (—):

- Disallowed passive losses\*\*
- Moving expenses\*\*
- Employee business expenses (includes both reimbursed and unreimbursed)\*\*
- Alimony paid\*

\*Included in AGI for Tax Year 1989.

\*\*Not fully included in AGI for Tax Year 1989.

the nontaxable portion that was excluded from AGI. Social security benefits were omitted because they were not reported on tax returns until 1984. Also, any depreciation deduction in excess of straight-line depreciation, which was subtracted in computing AGI, was added back.

Deductions that could be subtracted in the calculation of the 1979 Income Concept were limited to employee business expenses, alimony paid, and moving expenses. These same items were also subtracted in computing AGI until 1987 when unreimbursed business expenses and moving expenses were changed from adjustments to itemized deductions. The amount reported for these two expenses by taxpayers who itemized deductions was subtracted in the calculation of the 1979 Income Concept. But, taxpayers who did not itemize deductions could not claim either of these two expenses, since they were not allowed as "adjustments" after 1986. For this reason, the deduction for these two expenses beginning in 1987 is not completely comparable to that for previous years.

#### Comparison of AGI with 1979 Income Concept

The Tax Reform Act of 1986 made extensive changes to the calculation of AGI beginning with 1987. These changes made it necessary that the calculation of the 1979 Income Concept be revised, in order to make tax years beginning with 1987 comparable to the base years, 1979 to 1986. The new law limited the deduction of passive losses and eliminated unreimbursed employee business expenses and moving expenses as "adjustments" in figuring AGI beginning with Tax Year 1987. Since passive losses had been fully deductible for both income measures prior to 1987, the disallowed passive losses had to be deducted in the 1979 Income Concept calculation of income for tax years after 1986.

Some income items, such as capital gains, that had been partially excluded from AGI under prior law were fully included. The new law also eliminated or restricted some deductions. For this reason, if AGI is used to measure income, any comparison of 1986 income and tax data with that for 1987, 1988, and 1989 is misleading. A more accurate comparison can be made using the 1979 Income Concept because it measures income in the same way for all four years. Table B shows total income and selected tax items for 1989 using AGI and the 1979 Income Concept.

**Table B.—All Returns: Selected Income and Tax Items, by Size of Adjusted Gross Income and by 1979 Income Concept, 1989**  
 [All figures are estimates based on samples—numbers of returns are in thousands and money amounts are in millions of dollars]

Size of income	Income				Salaries and wages			
	Size of AGI		1979 Income Concept		Size of AGI		1979 Income Concept	
	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
All returns, total	112,136	3,256,358	112,136	3,286,325	95,488	2,449,531	95,488	2,449,531
Under \$10,000	32,599	110,945	32,329	102,004	25,923	122,735	25,781	120,945
\$10,000 under \$20,000	26,041	382,319	25,979	381,806	21,436	290,517	21,400	290,513
\$20,000 under \$30,000	16,947	418,153	17,120	422,122	14,956	340,644	14,952	339,730
\$30,000 under \$40,000	12,100	420,232	12,302	426,848	11,014	350,660	11,117	352,791
\$40,000 under \$50,000	8,590	383,689	8,590	383,493	7,855	316,833	7,924	321,756
\$50,000 under \$60,000	5,506	300,536	5,383	293,945	5,097	249,631	5,018	246,325
\$60,000 under \$70,000	3,284	212,047	3,252	210,111	3,013	173,006	3,006	171,952
\$70,000 under \$80,000	2,042	152,436	2,042	152,490	1,873	122,556	1,869	122,114
\$80,000 under \$90,000	1,277	108,060	1,255	106,219	1,141	80,416	1,121	79,461
\$90,000 under \$100,000	872	82,512	845	79,963	768	59,926	745	56,311
\$100,000 under \$125,000	1,057	117,086	1,090	120,570	909	80,002	951	81,847
\$125,000 under \$150,000	512	69,605	563	76,448	434	44,501	474	45,558
\$150,000 under \$175,000	312	50,285	322	52,039	256	29,567	270	30,489
\$175,000 under \$200,000	210	39,356	221	41,308	174	22,277	179	22,676
\$200,000 under \$300,000	384	92,772	404	97,990	312	50,720	331	50,326
\$300,000 under \$400,000	152	52,007	166	56,829	124	27,020	131	27,017
\$400,000 under \$500,000	77	34,337	80	35,786	63	17,026	64	16,816
\$500,000 under \$1,000,000	116	78,516	127	86,940	94	34,438	103	34,955
\$1,000,000 or more	58	151,465	63	159,414	47	37,056	52	37,946

Size of income	Taxable interest received				Dividends in AGI		Dividends received	
	Size of AGI		1979 Income Concept		Size of AGI		1979 Income Concept	
	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)
All returns, total	69,882	220,016	69,882	220,016	23,080	81,309	23,080	81,309
Under \$10,000	13,482	20,003	13,251	20,650	3,159	4,010	3,057	4,116
\$10,000 under \$20,000	13,493	31,780	13,370	31,174	3,348	6,358	3,273	6,220
\$20,000 under \$30,000	11,182	25,160	11,365	27,290	3,102	6,077	3,200	6,586
\$30,000 under \$40,000	9,416	20,549	9,613	22,557	2,912	5,801	2,988	6,460
\$40,000 under \$50,000	7,374	18,631	7,377	17,567	2,662	5,307	2,665	5,342
\$50,000 under \$60,000	5,021	13,489	4,899	12,678	2,061	5,099	1,998	4,704
\$60,000 under \$70,000	3,090	10,773	3,067	9,819	1,512	4,400	1,481	3,980
\$70,000 under \$80,000	1,945	7,579	1,951	7,475	1,022	3,154	1,035	3,512
\$80,000 under \$90,000	1,225	6,688	1,201	6,399	739	3,352	719	2,863
\$90,000 under \$100,000	841	5,859	816	5,555	511	2,442	490	2,621
\$100,000 under \$125,000	1,026	7,930	1,057	7,689	682	4,038	696	3,558
\$125,000 under \$150,000	496	4,949	551	5,354	354	2,507	399	2,934
\$150,000 under \$175,000	305	4,091	314	3,591	223	2,116	226	1,681
\$175,000 under \$200,000	206	3,127	215	2,998	156	1,593	164	1,890
\$200,000 under \$300,000	381	7,128	401	7,296	300	4,709	317	4,527
\$300,000 under \$400,000	150	4,728	164	4,754	123	2,761	136	2,779
\$400,000 under \$500,000	77	3,063	80	3,048	63	1,987	66	1,919
\$500,000 under \$1,000,000	115	7,844	127	7,648	99	4,590	110	4,718
\$1,000,000 or more	58	16,644	63	16,474	52	11,009	57	10,900

Size of income	Business or profession net income less loss				Sales of capital assets			
	Size of AGI		1979 Income Concept		Size of AGI		1979 Income Concept	
	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
	(17)	(18)	(19)	(20)	(21)	(22)	(23)	(24)
All returns, total	14,161	132,738	14,161	132,738	15,060	145,631	15,060	145,631
Under \$10,000	2,927	1,650	2,883	1,394	1,930	7,671	1,871	8,312
\$10,000 under \$20,000	2,638	14,280	2,585	13,689	1,990	2,463	1,925	2,322
\$20,000 under \$30,000	2,140	13,382	2,141	13,029	1,910	3,482	1,966	3,412
\$30,000 under \$40,000	1,777	12,359	1,824	12,496	1,803	3,683	1,903	4,466
\$40,000 under \$50,000	1,384	11,883	1,381	11,309	1,652	4,761	1,639	4,638
\$50,000 under \$60,000	983	10,562	978	10,350	1,271	4,380	1,224	4,323
\$60,000 under \$70,000	595	7,975	596	7,670	999	4,288	975	4,384
\$70,000 under \$80,000	410	6,383	395	5,963	708	3,693	716	3,415
\$80,000 under \$90,000	279	5,820	290	6,011	556	3,495	544	3,399
\$90,000 under \$100,000	201	4,741	201	4,954	409	3,768	388	3,638
\$100,000 under \$125,000	297	10,228	308	9,683	548	6,071	544	5,513
\$125,000 under \$150,000	143	5,965	163	6,909	308	4,603	348	5,117
\$150,000 under \$175,000	84	3,957	89	4,441	213	4,162	207	3,738
\$175,000 under \$200,000	67	3,668	68	3,425	140	4,048	148	3,966
\$200,000 under \$300,000	118	7,253	127	7,923	288	10,669	299	10,257
\$300,000 under \$400,000	46	3,540	52	4,044	120	6,510	129	6,791
\$400,000 under \$500,000	21	1,945	19	1,854	62	5,465	65	5,451
\$500,000 under \$1,000,000	33	3,619	39	4,001	100	14,016	110	14,079
\$1,000,000 or more	17	3,527	20	3,593	53	48,403	58	48,410

**Table B.—All Returns: Selected Income and Tax Items, by Size of Adjusted Gross Income and by 1979 Income Concept, 1989**  
 [All figures are estimates based on samples—numbers of returns are in thousands and money amounts are in millions of dollars]

Size of income	Rents, royalties, and farm rental net income less loss				Partnership and S Corporation net income less loss			
	Size of AGI		1979 Income Concept		Size of AGI		1979 Income Concept	
	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
	(25)	(26)	(27)	(28)	(29)	(30)	(31)	(32)
All returns, total . . . . .	10,131	928	10,131	928	5,928	63,092	5,928	63,092
Under \$10,000 . . . . .	1,266	-2,098	1,242	-2,133	633	-17,472	641	-19,146
\$10,000 under \$20,000 . . . . .	1,579	134	1,545	-126	584	701	555	910
\$20,000 under \$30,000 . . . . .	1,400	-1,111	1,444	-626	570	579	588	472
\$30,000 under \$40,000 . . . . .	1,292	-849	1,335	-965	604	1,477	640	1,528
\$40,000 under \$50,000 . . . . .	1,105	-660	1,075	-630	577	1,520	559	1,295
\$50,000 under \$60,000 . . . . .	840	-1,132	818	-1,036	467	2,099	450	2,553
\$60,000 under \$70,000 . . . . .	602	-779	588	-947	384	1,615	357	1,742
\$70,000 under \$80,000 . . . . .	410	-228	416	-253	291	1,620	294	1,413
\$80,000 under \$90,000 . . . . .	309	-154	302	77	276	2,334	275	2,269
\$90,000 under \$100,000 . . . . .	270	197	259	-2	201	1,369	204	1,438
\$100,000 under \$125,000 . . . . .	313	167	330	298	323	3,339	319	3,228
\$125,000 under \$150,000 . . . . .	175	416	193	428	209	3,961	218	3,753
\$150,000 under \$175,000 . . . . .	124	1,113	122	888	159	3,201	155	3,121
\$175,000 under \$200,000 . . . . .	83	306	83	284	109	2,716	116	2,830
\$200,000 under \$300,000 . . . . .	166	1,233	171	1,306	239	8,662	236	8,738
\$300,000 under \$400,000 . . . . .	69	1,092	71	1,005	105	4,836	110	5,206
\$400,000 under \$500,000 . . . . .	35	553	37	550	56	3,210	58	3,657
\$500,000 under \$1,000,000 . . . . .	61	1,173	67	1,233	91	9,990	99	10,165
\$1,000,000 or more . . . . .	32	1,552	34	1,578	50	27,335	54	27,921

Size of income	Nondeductible passive losses				Estate and trust net income less loss			
	Size of AGI		1979 Income Concept		Size of AGI		1979 Income Concept	
	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
	(33)	(34)	(35)	(36)	(37)	(38)	(39)	(40)
All returns, total . . . . .	1,719	23,193	1,719	23,193	552	3,959	552	3,959
Under \$10,000 . . . . .	129	6,240	160	10,223	96	114	93	61
\$10,000 under \$20,000 . . . . .	91	610	98	400	81	199	77	179
\$20,000 under \$30,000 . . . . .	124	596	132	583	64	227	77	296
\$30,000 under \$40,000 . . . . .	155	919	148	450	54	202	53	177
\$40,000 under \$50,000 . . . . .	129	331	127	455	35	39	36	-29
\$50,000 under \$60,000 . . . . .	131	541	118	436	33	44	30	79
\$60,000 under \$70,000 . . . . .	105	690	96	350	26	66	28	102
\$70,000 under \$80,000 . . . . .	84	264	91	306	20	106	19	117
\$80,000 under \$90,000 . . . . .	79	341	75	415	22	64	17	107
\$90,000 under \$100,000 . . . . .	61	378	58	324	18	218	18	151
\$100,000 under \$125,000 . . . . .	114	1,088	119	909	23	203	24	272
\$125,000 under \$150,000 . . . . .	97	1,000	93	945	13	133	12	111
\$150,000 under \$175,000 . . . . .	93	1,033	84	801	9	133	9	78
\$175,000 under \$200,000 . . . . .	61	746	61	561	8	101	9	114
\$200,000 under \$300,000 . . . . .	126	2,376	119	1,642	19	286	19	325
\$300,000 under \$400,000 . . . . .	49	1,076	50	929	10	190	11	222
\$400,000 under \$500,000 . . . . .	26	777	26	530	5	95	5	61
\$500,000 under \$1,000,000 . . . . .	42	1,916	44	1,266	9	425	10	427
\$1,000,000 or more . . . . .	21	2,271	21	1,668	6	1,115	6	1,110

Size of income	Pensions and annuities in AGI <sup>1</sup>		Pensions and annuities <sup>2</sup>		Total statutory adjustments			
	Size of AGI		1979 Income Concept		Size of AGI		1979 Income Concept	
	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
	(41)	(42)	(43)	(44)	(45)	(46)	(47)	(48)
All returns, total . . . . .	18,516	161,234	19,807	225,232	9,927	24,573	9,367	29,196
Under \$10,000 . . . . .	2,815	11,399	2,739	11,306	849	1,078	178	823
\$10,000 under \$20,000 . . . . .	4,710	32,678	4,696	32,941	1,647	2,283	610	1,931
\$20,000 under \$30,000 . . . . .	3,019	26,847	3,281	30,281	1,949	3,332	1,285	3,365
\$30,000 under \$40,000 . . . . .	2,318	21,598	2,553	25,934	1,740	3,298	1,629	3,735
\$40,000 under \$50,000 . . . . .	1,942	18,688	2,034	21,205	1,338	2,343	1,695	3,845
\$50,000 under \$60,000 . . . . .	1,227	12,535	1,353	13,816	566	1,405	1,218	3,045
\$60,000 under \$70,000 . . . . .	790	8,319	897	11,795	379	1,176	882	2,524
\$70,000 under \$80,000 . . . . .	484	6,245	592	8,931	273	1,095	548	1,941
\$80,000 under \$90,000 . . . . .	333	4,871	377	6,371	226	833	350	1,556
\$90,000 under \$100,000 . . . . .	238	3,477	284	5,329	176	789	210	1,007
\$100,000 under \$125,000 . . . . .	253	4,220	366	8,843	237	1,424	288	1,457
\$125,000 under \$150,000 . . . . .	116	2,219	184	6,818	147	979	150	978
\$150,000 under \$175,000 . . . . .	70	1,377	104	4,245	83	719	83	528
\$175,000 under \$200,000 . . . . .	43	1,175	65	3,026	65	634	55	431
\$200,000 under \$300,000 . . . . .	75	1,711	130	8,113	123	1,382	98	829
\$300,000 under \$400,000 . . . . .	28	776	54	5,130	47	584	36	409
\$400,000 under \$500,000 . . . . .	17	502	27	2,359	23	325	17	196
\$500,000 under \$1,000,000 . . . . .	24	1,278	48	9,428	38	576	24	338
\$1,000,000 or more . . . . .	12	1,318	23	9,363	19	316	11	256

**Table B.—All Returns: Selected Income and Tax Items, by Size of Adjusted Gross Income and by 1979 Income Concept, 1989**  
 [All figures are estimates based on samples—numbers of returns are in thousands and money amounts are in millions of dollars]

Size of income	Total itemized deductions				Taxable income			
	Size of AGI		1979 Income Concept		Size of AGI		1979 Income Concept	
	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
	(49)	(50)	(51)	(52)	(53)	(54)	(55)	(56)
All returns, total . . . . .	31,972	430,978	31,965	412,931	92,314	2,173,346	92,314	2,173,346
Under \$10,000 . . . . .	792	7,032	827	8,133	14,929	27,515	14,833	27,910
\$10,000 under \$20,000 . . . . .	2,576	21,092	2,638	20,358	24,147	175,635	23,995	174,015
\$20,000 under \$30,000 . . . . .	4,289	35,788	4,348	34,344	16,776	254,268	16,924	256,541
\$30,000 under \$40,000 . . . . .	5,364	49,201	5,375	47,854	12,063	278,320	12,241	283,717
\$40,000 under \$50,000 . . . . .	5,424	56,658	5,409	53,891	8,566	263,108	8,559	263,500
\$50,000 under \$60,000 . . . . .	4,186	48,967	4,077	46,153	5,496	212,090	5,367	207,593
\$60,000 under \$70,000 . . . . .	2,797	37,194	2,736	34,909	3,282	152,785	3,241	150,564
\$70,000 under \$80,000 . . . . .	1,823	28,149	1,801	26,601	2,036	111,048	2,030	110,292
\$80,000 under \$90,000 . . . . .	1,159	20,102	1,131	18,760	1,276	79,960	1,252	77,820
\$90,000 under \$100,000 . . . . .	817	15,440	775	13,714	871	61,747	843	58,779
\$100,000 under \$125,000 . . . . .	990	21,946	1,015	21,041	1,056	88,632	1,087	88,607
\$125,000 under \$150,000 . . . . .	487	13,196	513	12,692	510	53,274	562	56,048
\$150,000 under \$175,000 . . . . .	297	9,136	299	8,671	310	39,304	322	39,022
\$175,000 under \$200,000 . . . . .	203	7,051	209	6,805	210	30,974	221	31,088
\$200,000 under \$300,000 . . . . .	374	15,978	383	15,095	383	74,519	403	74,550
\$300,000 under \$400,000 . . . . .	148	8,117	161	8,099	151	43,008	166	43,901
\$400,000 under \$500,000 . . . . .	76	5,036	79	4,958	77	28,863	80	28,708
\$500,000 under \$1,000,000 . . . . .	114	11,031	125	11,061	115	66,882	127	67,786
\$1,000,000 or more . . . . .	57	19,863	62	19,792	57	131,415	63	132,907

Size of income	Total tax credits				Total income tax			
	Size of AGI		1979 Income Concept		Size of AGI		1979 Income Concept	
	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
	(57)	(58)	(59)	(60)	(61)	(62)	(63)	(64)
All returns, total . . . . .	12,035	6,131	12,035	6,131	89,178	432,940	89,178	432,940
Under \$10,000 . . . . .	634	99	632	107	14,322	4,251	14,229	4,423
\$10,000 under \$20,000 . . . . .	5,624	1,844	5,613	1,840	21,702	24,619	21,553	24,337
\$20,000 under \$30,000 . . . . .	1,361	600	1,383	600	16,716	38,920	16,861	39,386
\$30,000 under \$40,000 . . . . .	1,221	546	1,221	549	12,047	45,598	12,221	46,583
\$40,000 under \$50,000 . . . . .	955	411	967	417	8,560	44,034	8,554	44,170
\$50,000 under \$60,000 . . . . .	747	322	727	313	5,495	38,673	5,366	37,913
\$60,000 under \$70,000 . . . . .	454	235	446	213	3,282	30,192	3,241	29,831
\$70,000 under \$80,000 . . . . .	269	146	280	140	2,037	23,276	2,031	23,148
\$80,000 under \$90,000 . . . . .	193	163	174	130	1,275	17,542	1,249	17,215
\$90,000 under \$100,000 . . . . .	116	112	113	88	871	14,240	843	13,457
\$100,000 under \$125,000 . . . . .	132	138	136	129	1,056	21,526	1,086	21,387
\$125,000 under \$150,000 . . . . .	73	119	76	98	511	13,769	563	14,407
\$150,000 under \$175,000 . . . . .	53	104	53	106	310	10,600	321	10,415
\$175,000 under \$200,000 . . . . .	37	80	38	83	210	8,576	221	8,552
\$200,000 under \$300,000 . . . . .	71	229	76	272	383	21,152	403	21,029
\$300,000 under \$400,000 . . . . .	30	138	32	174	151	12,284	165	12,461
\$400,000 under \$500,000 . . . . .	16	87	16	99	77	8,196	80	8,109
\$500,000 under \$1,000,000 . . . . .	30	243	32	252	115	18,883	127	19,105
\$1,000,000 or more . . . . .	20	515	20	520	58	36,610	63	37,010

<sup>1</sup> Individual Retirement Arrangements are included in the calculation of "Pensions and annuities in AGI" and "Pensions and annuities."

Income, as calculated by the two measures, showed little difference for 1989. Before TRA became effective, a comparison of income measured by AGI with that measured by the 1979 Income Concept showed significant differences at income levels of \$200,000 or more. But, with the elimination of preferential treatment of various income items by TRA, such as the exclusion of capital gains, much of the difference disappeared. Under tax law prior to 1987, the capital gains exclusion accounted for the largest difference at the higher income levels between the two income measures.

Total income for all returns, using the 1979 Income Concept, increased 5.8 percent for 1989; total income

for the group \$200,000 and above increased only 2.3 percent, following an increase of more than 50 percent for 1988. Total income tax reported for the \$200,000 and above income group decreased 2.8 percent for 1989 after increasing almost 38 percent for 1988. The slow growth in income for the \$200,000 and above income group is due in part to the decline of almost 12 percent in the sales of capital assets (net capital gains) for 1989. This decline may stem from decisions by taxpayers to postpone capital gains in anticipation of more favorable tax treatment in 1990, which had been outlined in proposed legislation.

The average tax rates (income tax as a percentage of total income) for each income class for years 1986



**Figure 4.—Total Income Tax as a Percentage of Adjusted Gross Income and the 1979 Income Concept, 1986—1989**

Size of Income	Total income tax as a percentage of adjusted gross income				Taxes as a percentage of 1979 Income Concept			
	1986	1987	1988	1989	1986	1987	1988	1989
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
All returns, total . . . . .	14.8	13.3	13.4	13.3	13.3	13.1	13.3	13.2
Under \$10,000 . . . . .	4.3	4.0	4.0	3.8	4.9	4.2	4.4	4.3
\$10,000 under \$20,000 . . . . .	7.8	6.8	6.5	6.4	7.6	6.7	6.5	6.4
\$20,000 under \$30,000 . . . . .	10.6	9.4	9.3	9.3	10.0	9.3	9.3	9.3
\$30,000 under \$40,000 . . . . .	12.2	10.6	10.6	10.9	11.6	10.7	10.7	10.9
\$40,000 under \$50,000 . . . . .	13.8	11.8	11.6	11.5	12.6	11.7	11.7	11.5
\$50,000 under \$60,000 . . . . .	15.5	13.5	13.2	12.9	13.8	13.4	13.2	12.9
\$60,000 under \$70,000 . . . . .	16.9	15.1	14.5	14.2	14.9	15.0	14.5	14.2
\$70,000 under \$80,000 . . . . .	18.7	16.5	15.6	15.3	15.8	16.2	15.4	15.2
\$80,000 under \$90,000 . . . . .	19.9	17.8	16.6	16.2	16.7	17.5	16.1	16.2
\$90,000 under \$100,000 . . . . .	20.8	18.8	17.4	17.3	16.8	18.1	17.1	16.8
\$100,000 under \$125,000 . . . . .	23.1	20.1	18.8	18.4	18.3	19.3	18.0	17.7
\$125,000 under \$150,000 . . . . .	25.2	21.8	20.3	19.8	19.0	20.6	19.6	18.8
\$150,000 under \$175,000 . . . . .	28.0	23.0	21.6	21.1	19.3	21.2	20.6	20.0
\$175,000 under \$200,000 . . . . .	29.3	23.9	22.5	21.8	20.3	22.5	21.6	20.7
\$200,000 under \$300,000 . . . . .	31.1	25.8	23.7	22.8	22.6	23.8	22.3	21.5
\$300,000 under \$400,000 . . . . .	33.7	27.0	24.0	23.6	22.6	24.5	22.6	21.9
\$400,000 under \$500,000 . . . . .	36.2	28.2	24.1	23.9	23.4	26.5	23.2	22.7
\$500,000 under \$1,000,000 . . . . .	38.4	29.0	24.6	24.0	23.7	26.7	23.5	22.0
\$1,000,000 or more . . . . .	40.2	28.6	25.0	24.2	21.4	26.8	24.5	23.2

through 1989, based on AGI and the 1979 Income Concept, are shown in Figure 4. Based on the 1979 Income Concept, average tax rates declined or remained the same from 1988 to 1989 in most income categories. At incomes over \$125,000 the decrease was larger, with incomes over \$500,000 showing the largest decline in average tax rates.

When average tax rates for 1989 (based on the 1979 Income Concept) are compared to those for 1986 (before tax reform), the rates declined or remained the same in almost all income categories except the \$1,000,000 and over income category, which showed the largest increase, and the \$150,000 to less than \$200,000 income group, which had a much smaller increase. Average tax rates on incomes of \$1,000,000 and over rose from 21.4 percent for 1986 to 23.2 percent for 1989. Although this higher average tax rate

for 1989 was calculated using a lower marginal tax rate—28 percent for 1989 compared to 50 percent for 1986—it was calculated on income which included all capital gains (long-term gains could be partially excluded from income for 1986). Also, certain deductions from income that were allowed for 1986, were limited or eliminated beginning in 1987.

## Notes and References

- [1] Hostetter, Susan, "Measuring Income for Developing and Reviewing Individual Tax Law Changes: Exploration of Alternative Concepts," *Statistics of Income and Related Administrative Record Research: 1986-1987*, U.S. Department of the Treasury, Internal Revenue Service, 1987.



## Section 2

## Description of the Sample\*

This section describes the sample criteria and selection, the method of estimation, and the sampling variability of the estimates contained in this report. It also describes some of the limitations of the data. Statistical estimates included in this report are based on samples of tax returns.

### Sample Selection

The statistics in this report were estimated from a stratified probability sample of unaudited Individual Income Tax Returns, Forms 1040, 1040A, and 1040EZ filed by U.S. citizens and residents. The sample was designated at the Martinsburg Computing Center and was processed at the ten Internal Revenue Service (IRS) Centers during Calendar Year 1990. The total sample of 110,840 returns was selected from a population of 112,952,035 returns.

All returns processed during 1990 were subjected to sampling except tentative and amended returns. Tentative returns were not subjected to sampling because the revised returns may have been sampled later on, while amended returns were excluded because the original returns had already been subjected to sampling. A small percentage of returns were not identified as tentative or amended until after sampling. These returns along with those that contained no income information were excluded from the tables in this report. Sample returns representing 816,322 returns were excluded from the tables as a result.

The estimates in this report are intended to represent all returns filed for Tax Year 1989. While about 97 percent of the returns processed during Calendar Year 1990 were for Tax Year 1989, a few were for noncalendar years ending during 1989 and 1990, and some were returns for prior years. Returns for prior years were used in place of 1989 returns received and processed after December 31, 1990. This was done in the belief that the characteristics of returns due but not yet processed could best be represented by the returns for previous income years that were processed in 1990. Therefore, data for Tax Year 1989 may include amounts for discontinued items, such as the deduction for a working married couple, reported on prior year returns processed in 1990.

### Sample Design and Selection Criteria

Data from Forms 1040, 1040A, and 1040EZ processed to the IRS Individual Master File System at the Martinsburg Computing Center during Calendar Year 1990 were classified, by computer, into sample strata. These strata were based on the larger of total income or total loss amounts and the size of business plus farm receipts. In addition, the strata were based on the presence or absence of a Form 2555, Foreign Earned Income; a Form 1116, Computation of Foreign Tax Credit; a Schedule C, Profit or Loss from Business or Profession; a Schedule F, Farm Income and Expenses; and Form 4835, Farm Rental Income

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\*Bonnye Walker designed the sample and prepared the text and tables in this section under the direction of Yahia Ahmed, Chief, Mathematical Statistics Team, Coordination and Publications Staff.

and Expenses. Twenty variables were used to derive the total income and loss amounts.

Returns were then selected from the sample strata using two methodologies. One method used certain ending digits of the social security number (SSN), and the second method used ending digits of numbers generated from transformations of the SSN. The sampling rates for the various strata ranged from 0.02 percent to 100 percent.

Table C contains the number of returns in the population and sample by sample stratum for the United States. A comparison of the population counts in Table C with the total shown in the national tables of this report will disclose a small difference. This difference is the result of having excluded an estimated 816,322 returns (see above).

### Method of Estimation

Weighting factors were obtained by dividing the population count of returns in a sample stratum by the number of sample returns for that stratum. These weighting factors were used to generate all of the estimated numbers of returns and amounts in this report.

### Table Presentation

Whenever a weighted frequency is less than 3, the estimate and its corresponding amount are combined or deleted in order to avoid disclosure of information for specific taxpayers. (The combined or deleted data, if any, are included in the corresponding column totals.) These combinations and deletions are indicated by a double asterisk (\*\*) and by a dagger (†), respectively. Estimates based on less than 10 sampled returns are considered to be unreliable. These estimates are noted by a single asterisk (\*) to the left of the data unless all of the sampled returns are selected with certainty (at the 100 percent rate).

In the tables, a dash (—) in place of a frequency or an amount indicates that either no returns in the population had the characteristic or the characteristic was so rare that it did not appear on any of the sampled returns.

### Processing and Management of the Sample

While the sample was being selected, the selection process was monitored by applying prescribed sampling rates for each stratum to the population for that stratum. A follow-up was required to reconcile differences between the actual number of returns designated for each sample strata and the expected number.

In transcribing and tabulating the information from the returns in the sample, checks were imposed to improve the quality of the resulting estimates. Incorrect or missing entries on the sampled record were altered during statistical editing to make them consistent with other entries on the return and accompanying schedules. Data were also adjusted during processing in an attempt to achieve consistent statistical definitions. For example, a taxpayer may have reported director's fees on the "other income" line of the Form 1040 return. If this situation had been detected during statistical processing, the amount of director's fees would have been transferred to salaries and wages in the sample record.

The quality of the sample data was controlled at the IRS service centers by means of a continuous verification system that used computer tests to check for mathematical errors and inconsistent or missing data [1], [2].

Some returns designated for the sample are not available for SOI processing because other areas of IRS, such as Audit and Collection, need the return at the same time as SOI. These returns are referred to as unavailable returns. During Tax Year 1989 there were 69 unavailable returns which constituted about 0.06 percent of the designated sample. The chart below contains the percentage of unavailable returns for Tax Years 1986—1989.

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Year	1986	1987	1988	1989
Percent	0.31	0.14	0.11	0.06

---

Table C.—Number of Forms 1040, 1040A and 1040EZ in the Population and Sample, 1989

Description of the sample strata	Number of returns <sup>1</sup>	
	Population counts	Sample counts
	(1)	(2)
Grand total	112,952,035	110,840
Form 1040 returns only with adjusted gross income of \$200,000 and over with no income tax after credits and no additional tax for tax preferences, total	1,113	1,113 <sup>2</sup>
Form 1040 returns only with combined Schedule C (business or profession) net profit or loss of \$400,000 and over, total	11,219	11,219
Larger of total income amount and total loss amount		
Size of business receipts plus farm receipts		
Forms 1040 only with Form 2555, total	192,486	838
Under \$60,000	116,504	106
\$60,000 under \$125,000		
Under \$60,000	\$500,000 under \$1,000,000	55
\$125,000 under \$600,000	Under \$10,000,000	
Under \$125,000	\$1,000,000 under \$10,000,000	405
\$600,000 under \$2,500,000	Under \$30,000,000	
Under \$600,000	\$10,000,000 under \$30,000,000	201
\$2,500,000 and over	Any amount	71
Under \$2,500,000	\$30,000,000 and over	71
Forms 1040 only with Form 1116, but without Form 2555, total	604,096	10,977
Under \$60,000	Under \$500,000	289
\$60,000 under \$125,000	Under \$1,000,000	
Under \$60,000	\$500,000 under \$1,000,000	245
\$125,000 under \$600,000	Under \$10,000,000	
Under \$125,000	\$1,000,000 under \$10,000,000	1,901
\$600,000 under \$2,500,000	Under \$30,000,000	
Under \$600,000	\$10,000,000 under \$30,000,000	4,173
\$2,500,000 and over	Any amount	4,369
Under \$2,500,000	\$30,000,000 and over	4,369
Forms 1040 only with Schedule C, but without Form 2555 or Form 1116, total	14,193,157	21,977
Under \$30,000	Under \$200,000	5,085
\$30,000 under \$60,000	Under \$500,000	4,975
Under \$30,000	\$200,000 under \$500,000	
\$60,000 under \$125,000	Under \$1,000,000	
Under \$60,000	\$500,000 under \$1,000,000	2,925
\$125,000 under \$250,000	Under \$5,000,000	
Under \$125,000	\$1,000,000 under \$5,000,000	1,326
\$250,000 under \$600,000	Under \$10,000,000	
Under \$250,000	\$5,000,000 under \$10,000,000	2,021
\$600,000 under \$1,200,000	Under \$20,000,000	
Under \$600,000	\$10,000,000 under \$20,000,000	1,263
\$1,200,000 under \$2,500,000	Under \$30,000,000	
Under \$1,200,000	\$20,000,000 under \$30,000,000	1,644
\$2,500,000 under \$6,000,000	Under \$50,000,000	
Under \$2,500,000	\$30,000,000 under \$50,000,000	1,615
\$6,000,000 and over	Any amount	1,123
Under \$6,000,000	\$50,000,000 and over	1,123
Forms 1040 only with Schedule F, but without Form 2555, Form 1116, or Schedule C, total	2,261,478	4,789
Under \$30,000	Under \$200,000	967
\$30,000 under \$60,000	Under \$500,000	
Under \$30,000	\$200,000 under \$500,000	1,065
\$60,000 under \$125,000	Under \$1,000,000	
Under \$60,000	\$500,000 under \$1,000,000	442
\$125,000 under \$250,000	Under \$5,000,000	
Under \$125,000	\$1,000,000 under \$5,000,000	192
\$250,000 under \$600,000	Under \$10,000,000	
Under \$250,000	\$5,000,000 under \$10,000,000	408
\$600,000 under \$1,200,000	Under \$20,000,000	
Under \$600,000	\$10,000,000 under \$20,000,000	340
\$1,200,000 under \$2,500,000	Under \$30,000,000	
Under \$1,200,000	\$20,000,000 under \$30,000,000	409
\$2,500,000 under \$6,000,000	Under \$50,000,000	
Under \$2,500,000	\$30,000,000 under \$50,000,000	699
\$6,000,000 and over	Any amount	267
Under \$6,000,000	\$50,000,000 and over	267
Forms 1040EZ, total	18,660,320	3,729
Under \$30,000	Not applicable	3,608
\$30,000 and over		121
Forms 1040A, total	19,788,575	6,211
Under \$30,000	Not applicable	5,139
\$30,000 and over		1,072
Forms 1040, 1040A, and 1040EZ without Form 2555, Form 1116, Schedule C, or Schedule F, total	57,239,591	49,987
Under \$30,000	30,982,022	20,558
\$30,000 under \$60,000	18,341,743	10,640
\$60,000 under \$125,000	6,686,219	5,921
\$125,000 under \$250,000	870,714	1,371
\$250,000 under \$600,000	274,996	2,020
\$600,000 under \$1,200,000	56,722	2,374
\$1,200,000 under \$2,500,000	18,778	2,477
\$2,500,000 under \$6,000,000	6,281	2,510
\$6,000,000 and over	2,116	2,116

<sup>1</sup> This population includes an estimated 816,322 returns that were excluded from other tables in this report because they contained no income information or represented amended or tentative returns identified after sampling.

<sup>2</sup> This population includes 35 Form 1040 returns that have alternative minimum tax or income tax after credits other than zero.

After the completion of service center review, data were further validated, tested, and balanced at the Detroit Computing Center. Computer adjustments and imputations for selected fields were used to make each record internally consistent, and the data were then tabulated.

A small subsample of returns was selected and independently reviewed, analyzed, and processed for a quality evaluation. Finally, prior to publication, all statistics and tables were reviewed for accuracy and reasonableness in light of provisions of the tax laws, taxpayer reporting variations and limitations, economic conditions, comparability with other statistical series, and statistical techniques used in data processing.

### Sample Redesign

A complete revision of the sample design used to produce the statistics from individual income tax returns is being phased in over a 6-year period beginning with Tax Year 1987 and ending with Tax Year 1992. In addition to new strata definitions and methods of estimation, the revisions include the development of a longitudinal panel. For additional details on the redesign see [3], [4], [5], [6], [7] and [8].

### Notes and References

- [1] Durkin, T. M., and Schwartz, O. (1981), "The SOI Quality Control Program," in *Proceedings of the Section on Survey Research Methods*, American Statistical Association, 478-483.
- [2] Sailer, P., Hicks, C., Watson, D., and Trevors, D. (1982), "Result of Coverage and Processing Changes to the 1980 Individual

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- [3] Czajka, J. L. (1988), "Development of a New Income Stratifier for a Sample of Individual Tax Returns," in *Proceedings of the Section on Survey Research Methods*, American Statistical Association, 640-645.
- [4] Czajka, J. L., and Walker, B. (1989), "Combining Panel and Cross-Sectional Selection in an Annual Sample of Tax Returns," in *Proceedings of the Section on Survey Research Methods*, American Statistical Association, 463-468.
- [5] Czajka, J. L., and Schirm, A. L. (1990), "Overlapping Membership in Annual Samples of Individual Tax Returns," in *Proceedings of the Section on Survey Research Methods*, American Statistical Association, 413-418.
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- [7] Schirm, A. L., and Czajka, J. L. (1990), "Intertemporal Stability in Total Income and the Overlap in Annual Samples of Tax Returns," in *Proceedings of the Section on Survey Research Methods*, American Statistical Association, 407-412.
- [8] Schirm, A. L., and Czajka, J. L. (1991), "Alternative Designs for a Cross-Sectional Sample of Individual Tax Returns: the Old and the New," Presented at the 1991 Meeting of the American Statistical Association, Section on Survey Research Methods.

## Section 3

## Basic Tables\*

<b>Part 1 - Returns Filed and Sources of Income</b>	<b>Page</b>
1.1 Selected Income and Tax Items, by Size and Accumulated Size of Adjusted Gross Income . . . . .	18
1.2 All Returns: Adjusted Gross Income, Itemized Deductions, Exemptions, and Tax Items, by Size of Adjusted Gross Income and by Marital Status . . . . .	21
1.3 All Returns: Sources of Income and Adjustments, Deductions and Tax Items, by Marital Status . . . . .	25
1.4 All Returns: Sources of Income, Adjustments, and Tax Items, by Size of Adjusted Gross Income . . . . .	26
1.5 Form 1040EZ Returns: Sources of Income and Tax Items, by Size of Adjusted Gross Income . . . . .	36
1.6 Form 1040A Returns: Sources of Income, Deductions, and Tax Items, by Size of Adjusted Gross Income . . . . .	37
 <b>Part 2 - Exemptions and Itemized Deductions</b>	
2.1 Returns With Itemized Deductions: Sources of Income, Adjustments, Itemized Deductions by Type, Exemptions, and Tax Items, by Size of Adjusted Gross Income . . . . .	39
2.2 Returns With Itemized Deductions: Sources of Income and Adjustments, Deductions and Tax Items, by Marital Status . . . . .	43
2.3 All Returns: Exemptions by Type and Number of Exemptions, by Size of Adjusted Gross Income . . . . .	44
2.4 All Returns: Exemptions by Type and Number of Exemptions, by Marital Status . . . . .	45
 <b>Part 3 - Tax Computations</b>	
3.1 Returns With Modified Taxable Income: Adjusted Gross Income, Deductions, Exemptions, Taxable Income, and Tax items, By Type of Tax Computation By Size of Adjusted Gross Income . . . . .	46
3.2 Returns With Total Income Tax: Total Income Tax as a Percent of Adjusted Gross Income, by Size of Adjusted Gross Income . . . . .	47
3.3 All Returns: Tax Liability, Tax Credits, and Tax Payments, by Size of Adjusted Gross Income . . . . .	49
3.4 Returns With Modified Taxable Income: Tax Classified by Both the Marginal Rate and Each Rate at Which Tax was Computed . . . . .	55
3.5 Returns With Modified Taxable Income: Tax Generated by Rate and by Size of Adjusted Gross Income . . . . .	57

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\*Production and review of tables was coordinated by Edward Gross, Jr. Craig Ammon, William Bradley, Charles Hicks, Robert Kalish, Barbara Marshall, Kenneth Rice, and were responsible for specific tables.

**Table 1.1—Selected Income and Tax Items, by Size and Accumulated Size of Adjusted Gross Income**

(All figures are estimates based on samples—money amounts are in thousands of dollars)

Size and accumulated size of adjusted gross income	All returns					Taxable returns				
	Number of returns	Percentage of total	Adjusted gross income less deficit			Number of returns	Percentage of total	Adjusted gross income less deficit		
			Amount	Percentage of total	Average (dollars)			Amount	Percentage of total	
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	
<b>Size of Adjusted Gross Income</b>										
<b>Total</b> .....	<b>112,135,673</b>	<b>100.0</b>	<b>3,256,358,156</b>	<b>100.0</b>	<b>29,039</b>	<b>89,178,355</b>	<b>100.0</b>	<b>3,158,293,754</b>	<b>100.0</b>	
No adjusted gross income	822,952	0.7	- 42,499,835	(3)	- 51,643	5,961	(2)	- 2,971,100	(3)	
\$1 under \$1,000	3,042,994	2.7	1,842,104	0.1	605	768,330	0.9	584,981	(2)	
\$1,000 under \$2,000	3,926,273	3.5	5,863,307	0.2	1,493	1,137,732	1.3	1,656,786	0.1	
\$2,000 under \$3,000	3,404,373	3.0	8,501,571	0.3	2,497	880,974	1.0	2,201,502	0.1	
\$3,000 under \$4,000	3,301,756	2.9	11,515,294	0.4	3,488	1,268,463	1.4	4,439,894	0.1	
\$4,000 under \$5,000	3,094,100	2.8	13,866,134	0.4	4,481	935,383	1.0	4,138,774	0.1	
\$5,000 under \$6,000	3,109,173	2.8	17,027,059	0.5	5,476	1,852,733	2.1	10,204,703	0.3	
\$6,000 under \$7,000	2,971,196	2.6	19,249,842	0.6	6,479	1,890,025	2.1	12,213,738	0.4	
\$7,000 under \$8,000	3,118,710	2.8	23,375,144	0.7	7,495	2,011,182	2.3	15,076,487	0.5	
\$8,000 under \$9,000	2,918,864	2.6	24,814,435	0.8	8,501	1,744,101	2.0	14,819,294	0.5	
\$9,000 under \$10,000	2,888,834	2.6	27,390,094	0.8	9,481	1,826,873	2.0	17,317,883	0.5	
\$10,000 under \$11,000	3,066,152	2.7	32,182,062	1.0	10,496	2,072,195	2.3	21,750,738	0.7	
\$11,000 under \$12,000	2,870,844	2.6	33,029,347	1.0	11,505	2,057,288	2.3	23,663,054	0.7	
\$12,000 under \$13,000	2,975,242	2.7	37,194,002	1.1	12,501	2,201,358	2.5	27,535,240	0.9	
\$13,000 under \$14,000	2,780,386	2.5	37,519,950	1.2	13,495	2,164,192	2.4	29,193,440	0.9	
\$14,000 under \$15,000	2,610,322	2.3	37,808,460	1.2	14,484	2,147,997	2.4	31,128,312	1.0	
\$15,000 under \$16,000	2,492,158	2.2	38,609,252	1.2	15,492	2,210,950	2.5	34,271,843	1.1	
\$16,000 under \$17,000	2,421,585	2.2	39,973,936	1.2	16,507	2,274,072	2.6	37,533,526	1.2	
\$17,000 under \$18,000	2,366,989	2.1	41,406,065	1.3	17,493	2,238,695	2.5	39,157,637	1.2	
\$18,000 under \$19,000	2,312,593	2.1	42,762,287	1.3	18,491	2,225,557	2.5	41,153,673	1.3	
\$19,000 under \$20,000	2,144,966	1.9	41,833,912	1.3	19,503	2,109,484	2.4	41,142,797	1.3	
\$20,000 under \$25,000	9,332,301	8.3	208,961,701	6.4	22,391	9,173,782	10.3	205,473,198	6.5	
\$25,000 under \$30,000	7,615,124	6.8	209,191,554	6.4	27,471	7,541,919	8.5	207,195,437	6.6	
\$30,000 under \$40,000	12,100,369	10.8	420,231,928	12.9	34,729	12,046,515	13.5	418,392,529	13.2	
\$40,000 under \$50,000	8,590,272	7.7	383,689,075	11.8	44,666	8,560,180	9.6	382,362,994	12.1	
\$50,000 under \$75,000	9,921,341	8.8	594,483,386	18.3	59,920	9,905,916	11.1	593,569,941	18.8	
\$75,000 under \$100,000	3,059,386	2.7	261,107,136	8.0	85,346	3,053,791	3.4	260,645,078	8.3	
\$100,000 under \$200,000	2,090,358	1.9	276,331,693	8.5	132,193	2,087,727	2.3	275,945,659	8.7	
\$200,000 under \$500,000	612,814	0.5	179,115,618	5.5	292,284	611,980	0.7	178,874,534	5.7	
\$500,000 under \$1,000,000	115,646	0.1	78,516,288	2.4	678,936	115,492	0.1	78,412,040	2.5	
\$1,000,000 or more	57,603	0.1	151,465,353	4.7	2,629,470	57,510	0.1	151,209,142	4.8	
<b>Taxable returns—Continued</b>										
Size and accumulated size of adjusted gross income	Taxable income			Income tax after credits			Total income tax			
	Number of returns	Amount	Percentage of total	Number of returns	Amount	Percentage of total	Amount	Percentage of		
								Total	Taxable income	Average gross income less deficit (dollars)
	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)
<b>Size of Adjusted Gross Income</b>										
<b>Total</b> .....	<b>89,127,496</b>	<b>2,166,089,001</b>	<b>100.0</b>	<b>89,162,747</b>	<b>432,109,004</b>	<b>100.0</b>	<b>432,939,998</b>	<b>100.0</b>	<b>20.0</b>	<b>13.7</b>
No adjusted gross income	—	—	—	1,171	35,529	(3)	102,251	(2)	(3)	(3)
\$1 under \$1,000	765,315	158,315	(2)	768,329	26,594	(2)	26,595	(2)	16.8	4.5
\$1,000 under \$2,000	1,134,867	499,375	(2)	1,137,732	83,638	(2)	84,079	(2)	16.8	5.1
\$2,000 under \$3,000	880,966	526,899	(2)	880,974	88,244	(2)	91,712	(2)	17.4	4.2
\$3,000 under \$4,000	1,265,449	870,872	(2)	1,268,463	140,684	(2)	140,829	(2)	16.2	3.2
\$4,000 under \$5,000	929,354	1,372,618	0.1	935,383	221,105	0.1	221,105	0.1	16.1	5.3
\$5,000 under \$6,000	1,846,853	2,096,222	0.1	1,852,733	344,699	0.1	344,908	0.1	16.5	3.4
\$6,000 under \$7,000	1,887,307	3,074,578	0.1	1,890,023	463,805	0.1	463,883	0.1	15.1	3.8
\$7,000 under \$8,000	2,009,654	5,163,646	0.2	2,011,161	789,220	0.2	789,320	0.2	15.3	5.2
\$8,000 under \$9,000	1,742,594	6,025,799	0.3	1,744,101	910,696	0.2	910,696	0.2	15.1	6.1
\$9,000 under \$10,000	1,822,786	7,143,890	0.3	1,825,802	1,074,401	0.2	1,076,040	0.2	15.1	6.2
\$10,000 under \$11,000	2,070,688	9,390,740	0.4	2,072,195	1,407,831	0.3	1,407,831	0.3	15.0	6.5
\$11,000 under \$12,000	2,054,866	10,572,743	0.5	2,057,287	1,589,078	0.4	1,589,089	0.4	15.0	6.7
\$12,000 under \$13,000	2,201,358	13,462,531	0.6	2,201,358	1,982,589	0.5	1,983,621	0.5	14.7	7.2
\$13,000 under \$14,000	2,162,632	14,415,592	0.7	2,164,139	2,063,155	0.5	2,063,337	0.5	14.3	7.1
\$14,000 under \$15,000	2,145,725	16,192,554	0.7	2,147,084	2,279,705	0.5	2,279,987	0.5	14.1	7.3
\$15,000 under \$16,000	2,210,942	18,188,494	0.8	2,210,942	2,559,704	0.6	2,559,907	0.6	14.1	7.5
\$16,000 under \$17,000	2,274,072	19,729,357	0.9	2,274,072	2,765,301	0.6	2,765,301	0.6	14.0	7.4
\$17,000 under \$18,000	2,238,695	21,731,550	1.0	2,238,695	3,112,456	0.7	3,121,130	0.7	14.4	8.0
\$18,000 under \$19,000	2,225,536	22,928,803	1.1	2,225,536	3,344,280	0.8	3,344,338	0.8	14.6	8.1
\$19,000 under \$20,000	2,109,348	23,404,463	1.1	2,109,348	3,502,902	0.8	3,504,766	0.8	15.0	8.5
\$20,000 under \$25,000	9,173,777	122,122,458	5.6	9,173,777	18,192,386	4.2	18,193,167	4.2	14.9	8.9
\$25,000 under \$30,000	7,541,203	131,703,925	6.1	7,541,135	20,714,933	4.8	20,726,836	4.8	15.7	10.0
\$30,000 under \$40,000	12,046,484	278,017,605	12.8	12,046,275	45,588,526	10.6	45,597,597	10.5	16.4	10.9
\$40,000 under \$50,000	8,558,577	262,963,947	12.1	8,558,417	44,013,965	10.2	44,034,240	10.2	16.7	11.5
\$50,000 under \$75,000	9,903,864	424,526,987	19.6	9,903,386	81,195,853	18.8	81,250,313	18.8	19.1	13.7
\$75,000 under \$100,000	3,053,693	193,038,040	8.9	3,052,872	42,632,646	9.9	42,671,702	9.9	22.1	16.4
\$100,000 under \$200,000	2,086,443	212,155,734	9.8	2,085,957	54,321,970	12.6	54,471,932	12.6	25.7	19.7
\$200,000 under \$500,000	611,612	146,369,170	6.8	611,615	41,468,925	9.6	41,631,082	9.6	28.4	23.3
\$500,000 under \$1,000,000	115,378	66,874,734	3.1	115,343	18,759,023	4.3	18,882,584	4.4	28.2	24.1
\$1,000,000 or more	57,458	131,367,623	6.1	57,441	36,435,162	8.4	36,609,819	8.5	27.9	24.2

Footnotes at end of table



**Table 1.1—Selected Income and Tax Items, by Size and Accumulated Size of Adjusted Gross Income—Continued**

(All figures are estimates based on samples—money amounts are in thousands of dollars)

Size and accumulated size of adjusted gross income	All returns					Taxable returns			
	Number of returns	Percentage of total	Adjusted gross income less deficit			Number of returns	Percentage of total	Adjusted gross income less deficit	
			Amount	Percentage of total <sup>1</sup>	Average (dollars)			Amount	Percentage of total <sup>1</sup>
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
<b>Cumulated from Smallest Size of Adjusted Gross Income</b>									
No adjusted gross income	822,952	0.7	-42,499,835	( <sup>3</sup> )	-51,643	5,961	( <sup>2</sup> )	-2,971,100	( <sup>3</sup> )
\$1 under \$1,000	3,042,994	2.7	1,842,104	0.1	605	768,330	0.9	584,981	( <sup>3</sup> )
\$1 under \$2,000	6,969,267	6.2	7,705,411	0.2	1,106	1,906,062	2.1	2,241,766	0.1
\$1 under \$3,000	10,373,639	9.3	16,206,982	0.5	1,562	2,787,036	3.1	4,443,269	0.1
\$1 under \$4,000	13,675,395	12.2	27,722,276	0.8	2,027	4,055,499	4.5	8,883,163	0.3
\$1 under \$5,000	16,769,495	15.0	41,588,410	1.3	2,480	4,990,882	5.6	13,021,938	0.4
\$1 under \$6,000	19,878,668	17.7	58,615,469	1.8	2,949	6,843,615	7.7	23,226,641	0.7
\$1 under \$7,000	22,849,863	20.4	77,865,311	2.4	3,408	8,733,640	9.8	35,440,378	1.1
\$1 under \$8,000	25,968,574	23.2	101,240,455	3.1	3,899	10,744,822	12.0	50,516,866	1.6
\$1 under \$9,000	28,887,437	25.8	126,054,891	3.8	4,364	12,488,923	14.0	65,336,160	2.1
\$1 under \$10,000	31,776,272	28.3	153,444,985	4.7	4,829	14,315,795	16.1	82,654,043	2.6
\$1 under \$11,000	34,842,424	31.1	185,627,047	5.6	5,328	16,387,990	18.4	104,404,781	3.3
\$1 under \$12,000	37,713,267	33.6	218,656,394	6.6	5,798	18,445,278	20.7	128,067,835	4.1
\$1 under \$13,000	40,688,509	36.3	255,850,396	7.8	6,288	20,646,636	23.2	155,603,075	4.9
\$1 under \$14,000	43,468,895	38.8	293,370,346	8.9	6,749	22,810,828	25.6	184,796,516	5.8
\$1 under \$15,000	46,079,216	41.1	331,178,806	10.0	7,187	24,958,825	28.0	215,924,828	6.8
\$1 under \$16,000	48,571,374	43.3	369,788,058	11.2	7,613	27,169,775	30.5	250,196,671	7.9
\$1 under \$17,000	50,992,959	45.5	409,761,993	12.4	8,036	29,443,847	33.0	287,730,196	9.1
\$1 under \$18,000	53,359,948	47.6	451,168,059	13.7	8,455	31,682,542	35.5	326,887,833	10.3
\$1 under \$19,000	55,672,542	49.6	493,930,346	15.0	8,872	33,908,099	38.0	368,041,506	11.6
\$1 under \$20,000	57,817,507	51.6	535,764,258	16.2	9,266	36,017,583	40.4	409,184,303	12.9
\$1 under \$25,000	67,149,808	59.9	744,725,959	22.6	11,091	45,191,364	50.7	614,657,501	19.4
\$1 under \$30,000	74,764,932	66.7	953,917,514	28.9	12,759	52,733,283	59.1	821,852,938	26.0
\$1 under \$40,000	86,865,300	77.5	1,374,149,441	41.7	15,819	64,779,798	72.6	1,240,245,467	39.2
\$1 under \$50,000	95,455,573	85.1	1,757,838,516	53.3	18,415	73,339,978	82.2	1,622,608,460	51.3
\$1 under \$75,000	105,376,913	94.0	2,352,321,902	71.3	22,323	83,245,894	93.3	2,216,178,401	70.1
\$1 under \$100,000	108,436,300	96.7	2,613,429,038	79.2	24,101	86,299,685	96.8	2,476,823,479	78.3
\$1 under \$200,000	110,526,658	98.6	2,889,760,731	87.6	26,145	88,387,412	99.1	2,752,769,138	87.1
\$1 under \$500,000	111,139,472	99.1	3,068,876,350	93.0	27,613	88,999,392	99.8	2,931,643,672	92.7
\$1 under \$1,000,000	111,255,118	99.2	3,147,392,637	95.4	28,290	89,114,884	99.9	3,010,055,712	95.2
\$1 or more	111,312,721	99.3	3,298,857,991	100.0	29,636	89,172,394	100.0	3,161,264,854	100.0
<b>All returns</b>	<b>112,135,673</b>	<b>100.0</b>	<b>3,256,358,156</b>	<b>98.7</b>	<b>29,039</b>	<b>89,178,355</b>	<b>100.0</b>	<b>3,158,293,754</b>	<b>99.9</b>

Size and accumulated size of adjusted gross income	Taxable returns—Continued									
	Taxable income			Income tax after credits			Total income tax			
	Number of returns	Amount	Percentage of total	Number of returns	Amount	Percentage of total	Amount	Percentage of		
								Total	Taxable income	Average gross income tax (dollars)
	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)
<b>Cumulated from Smallest Size of Adjusted Gross Income</b>										
No adjusted gross income	—	—	—	1,171	35,529	( <sup>2</sup> )	102,251	( <sup>2</sup> )	( <sup>3</sup> )	17,153
\$1 under \$1,000	765,315	158,351	( <sup>2</sup> )	768,329	26,594	( <sup>2</sup> )	26,595	( <sup>2</sup> )	16.8	4.5
\$1 under \$2,000	1,900,181	657,726	( <sup>2</sup> )	1,906,061	110,231	( <sup>2</sup> )	110,674	( <sup>2</sup> )	16.8	4.9
\$1 under \$3,000	2,781,148	1,184,625	0.1	2,787,035	198,475	( <sup>2</sup> )	202,387	( <sup>2</sup> )	17.1	4.6
\$1 under \$4,000	4,046,597	2,055,497	0.1	4,055,498	339,160	0.1	343,215	0.1	16.7	3.9
\$1 under \$5,000	4,975,952	3,428,115	0.2	4,990,881	560,265	0.1	564,320	0.1	16.5	4.3
\$1 under \$6,000	6,822,805	5,524,338	0.3	6,843,614	904,963	0.2	909,229	0.2	16.5	3.9
\$1 under \$7,000	8,710,111	8,598,916	0.4	8,733,637	1,368,769	0.3	1,373,111	0.3	16.0	3.9
\$1 under \$8,000	10,719,765	13,762,562	0.6	10,744,798	2,157,988	0.5	2,162,432	0.5	15.7	4.3
\$1 under \$9,000	12,462,359	19,788,361	0.9	12,488,899	3,068,684	0.7	3,073,127	0.7	15.5	4.7
\$1 under \$10,000	14,285,146	26,932,251	1.2	14,314,701	4,143,085	1.0	4,149,167	1.0	15.4	5.0
\$1 under \$11,000	16,355,834	36,322,991	1.7	16,386,896	5,550,916	1.3	5,556,999	1.3	15.3	5.3
\$1 under \$12,000	18,410,700	46,895,733	2.2	18,444,183	7,139,994	1.7	7,146,087	1.7	15.2	5.6
\$1 under \$13,000	20,612,058	60,358,264	2.8	20,645,540	9,122,584	2.1	9,129,708	2.1	15.1	5.9
\$1 under \$14,000	22,774,690	74,773,856	3.5	22,809,679	11,185,738	2.6	11,193,046	2.6	15.0	6.1
\$1 under \$15,000	24,920,415	90,966,410	4.2	24,956,763	13,465,443	3.1	13,473,033	3.1	14.8	6.2
\$1 under \$16,000	27,131,357	109,154,904	5.0	27,167,705	16,025,148	3.7	16,032,940	3.7	14.7	6.4
\$1 under \$17,000	29,405,429	128,884,261	6.0	29,441,777	18,790,449	4.3	18,798,241	4.3	14.6	6.5
\$1 under \$18,000	31,644,125	150,615,811	7.0	31,680,473	21,902,905	5.1	21,919,371	5.1	14.6	6.7
\$1 under \$19,000	33,869,660	173,544,614	8.0	33,906,009	25,247,185	5.8	25,263,709	5.8	14.6	6.9
\$1 under \$20,000	35,979,008	196,949,076	9.1	36,015,356	28,750,087	6.7	28,768,475	6.6	14.6	7.0
\$1 under \$25,000	45,152,785	319,071,535	14.7	45,189,133	46,942,473	10.9	46,961,643	10.8	14.7	7.6
\$1 under \$30,000	52,693,988	450,775,460	20.8	52,730,268	67,657,406	15.7	67,688,479	15.6	15.0	8.2
\$1 under \$40,000	64,740,472	728,793,065	33.6	64,776,543	113,245,932	26.2	113,286,075	26.2	15.5	9.1
\$1 under \$50,000	73,299,048	991,757,012	45.8	73,334,961	157,259,896	36.4	157,320,315	36.3	15.9	9.7
\$1 under \$75,000	83,202,912	1,416,283,699	65.4	83,238,346	238,455,750	55.2	238,570,628	55.1	16.8	10.8
\$1 under \$100,000	86,256,605	1,609,321,739	74.3	86,291,218	281,088,395	65.1	281,242,330	65.0	17.5	11.4
\$1 under \$200,000	88,343,048	1,821,477,473	84.1	88,377,175	335,410,365	77.6	335,714,262	77.5	18.4	12.2
\$1 under \$500,000	88,954,661	1,967,846,643	90.8	88,988,791	376,879,290	87.2	377,345,344	87.2	19.2	12.9
\$1 under \$1,000,000	89,070,039	2,034,721,378	93.9	89,104,134	395,638,314	91.6	396,227,928	91.5	19.5	13.2
\$1 or more	89,127,496	2,166,089,001	100.0	89,161,576	432,073,475	100.0	432,837,747	100.0	20.0	13.7
<b>All returns</b>	<b>89,127,496</b>	<b>2,166,089,001</b>	<b>100.0</b>	<b>89,162,747</b>	<b>432,109,004</b>	<b>100.0</b>	<b>432,939,998</b>	<b>100.0</b>	<b>20.0</b>	<b>13.7</b>

Footnote(s) at end of table

Table 1.1—Selected Income and Tax Items, by Size and Accumulated Size of Adjusted Gross Income—Continued

(All figures are estimates based on samples—money amounts are in thousands of dollars)

Size and accumulated size of adjusted gross income	All returns					Taxable returns			
	Number of returns	Percentage of total	Adjusted gross income less deficit			Number of returns	Percentage of total	Adjusted gross income less deficit	
			Amount	Percentage of total <sup>1</sup>	Average (dollars)			Amount	Percentage of total <sup>1</sup>
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
<b>Cumulated from Largest Size of Adjusted Gross Income</b>									
\$1,000,000 or more	57,603	0.1	151,465,353	4.6	2,629,470	57,510	0.1	151,209,142	4.8
\$500,000 or more	173,249	0.2	229,981,641	7.0	1,327,463	173,002	0.2	229,621,182	7.3
\$200,000 or more	786,063	0.7	409,097,259	12.4	520,438	784,982	0.9	408,495,716	12.9
\$100,000 or more	2,876,421	2.6	685,428,953	20.8	238,292	2,872,709	3.2	684,441,375	21.7
\$75,000 or more	5,935,808	5.3	946,536,089	28.7	159,462	5,926,500	6.6	945,086,453	29.9
\$50,000 or more	15,857,148	14.1	1,541,019,474	46.7	97,181	15,832,416	17.8	1,538,656,394	48.7
\$40,000 or more	24,447,421	21.8	1,924,708,549	58.3	78,728	24,392,596	27.4	1,921,019,387	60.8
\$30,000 or more	36,547,789	32.6	2,344,940,477	71.1	64,161	36,439,111	40.9	2,339,411,916	74.0
\$25,000 or more	44,162,913	39.4	2,554,132,031	77.4	57,834	43,981,030	49.3	2,546,607,353	80.6
\$20,000 or more	53,495,214	47.7	2,763,093,732	83.8	51,651	53,154,812	59.6	2,752,080,551	87.1
\$19,000 or more	55,640,179	49.6	2,804,927,644	85.0	50,412	55,264,295	62.0	2,793,223,348	88.4
\$18,000 or more	57,952,773	51.7	2,847,689,932	86.3	49,138	57,489,852	64.5	2,834,377,021	89.7
\$17,000 or more	60,319,762	53.8	2,889,095,997	87.6	47,896	59,728,547	67.0	2,873,534,658	90.9
\$16,000 or more	62,741,347	56.0	2,929,069,933	88.8	46,685	62,002,619	69.5	2,911,068,183	92.1
\$15,000 or more	65,233,505	58.2	2,967,679,185	90.0	45,493	64,213,569	72.0	2,945,340,026	93.2
\$14,000 or more	67,843,826	60.5	3,005,487,645	91.1	44,300	66,361,566	74.4	2,976,468,338	94.2
\$13,000 or more	70,624,212	63.0	3,043,007,595	92.2	43,087	68,525,758	76.8	3,005,661,779	95.1
\$12,000 or more	73,599,453	65.6	3,080,201,597	93.4	41,851	70,727,116	79.3	3,033,197,019	95.9
\$11,000 or more	76,470,297	68.2	3,113,230,944	94.4	40,712	72,784,404	81.6	3,056,860,073	96.7
\$10,000 or more	79,536,449	70.9	3,145,413,006	95.3	39,547	74,856,599	83.9	3,078,610,811	97.4
\$9,000 or more	82,425,284	73.5	3,172,803,100	96.2	38,493	76,683,471	86.0	3,095,928,694	97.9
\$8,000 or more	85,344,147	76.1	3,197,617,535	96.9	37,467	78,427,572	87.9	3,110,747,988	98.4
\$7,000 or more	88,462,858	78.9	3,220,992,680	97.6	36,411	80,438,754	90.2	3,125,824,476	98.9
\$6,000 or more	91,434,053	81.5	3,240,242,522	98.2	35,438	82,328,780	92.3	3,138,038,213	99.3
\$5,000 or more	94,543,226	84.3	3,257,269,580	98.7	34,453	84,181,512	94.4	3,148,242,916	99.6
\$4,000 or more	97,637,326	87.1	3,271,135,715	99.2	33,503	85,116,895	95.4	3,152,381,691	99.7
\$3,000 or more	100,939,082	90.0	3,282,651,009	99.5	32,521	86,385,358	96.9	3,156,821,585	99.9
\$2,000 or more	104,343,454	93.1	3,291,152,580	99.8	31,542	87,266,332	97.9	3,159,023,088	99.9
\$1,000 or more	108,269,727	96.6	3,297,015,887	99.9	30,452	88,404,064	99.1	3,160,679,873	100.0
\$1 or more	111,312,721	99.3	3,298,857,991	100.0	29,636	89,172,394	100.0	3,161,264,854	100.0
<b>All returns</b>	<b>112,135,673</b>	<b>100.0</b>	<b>3,256,358,156</b>	<b>98.7</b>	<b>29,039</b>	<b>89,178,355</b>	<b>100.0</b>	<b>3,158,293,754</b>	<b>99.9</b>

Size and accumulated size of adjusted gross income	Taxable returns—Continued									
	Taxable income			Income tax after credits			Total income tax			
	Number of returns	Amount	Percentage of total	Number of returns	Amount	Percentage of total	Amount	Percentage of		
	(10)	(11)	(12)	(13)	(14)	(15)	(16)	Total	Taxable income	Average income tax (dollars)
<b>Cumulated from Largest Size of Adjusted Gross Income</b>										
\$1,000,000 or more	57,458	131,367,623	6.1	57,441	36,435,162	8.4	36,609,819	8.5	27.9	24.2
\$500,000 or more	172,836	198,242,358	9.2	172,785	55,194,185	12.8	55,492,403	12.8	28.0	24.2
\$200,000 or more	784,448	344,611,528	15.9	784,400	96,663,110	22.4	97,123,485	22.4	28.2	23.8
\$100,000 or more	2,870,891	556,767,262	25.7	2,870,358	150,985,080	34.9	151,595,417	35.0	27.2	22.1
\$75,000 or more	5,924,584	749,805,302	34.6	5,923,229	193,617,726	44.8	194,267,119	44.9	25.9	20.6
\$50,000 or more	15,828,448	1,174,331,989	54.2	15,826,615	274,813,579	63.6	275,517,432	63.6	23.5	17.9
\$40,000 or more	24,387,024	1,437,295,936	66.4	24,385,032	318,827,543	73.8	319,551,672	73.8	22.2	16.6
\$30,000 or more	36,433,509	1,715,313,541	79.2	36,431,308	364,416,069	84.3	365,149,268	84.3	21.3	15.6
\$25,000 or more	43,974,711	1,847,017,466	85.3	43,972,443	385,131,003	89.1	385,876,104	89.1	20.9	15.2
\$20,000 or more	53,148,488	1,969,139,925	90.9	53,146,220	403,323,388	93.3	404,069,272	93.3	20.5	14.7
\$19,000 or more	55,257,836	1,992,544,387	92.0	55,255,567	406,826,291	94.1	407,574,038	94.1	20.5	14.6
\$18,000 or more	57,483,372	2,015,473,190	93.0	57,481,103	410,170,570	94.9	410,918,376	94.9	20.4	14.5
\$17,000 or more	59,722,067	2,037,204,740	94.0	59,719,798	413,283,027	95.6	414,039,506	95.6	20.3	14.4
\$16,000 or more	61,996,139	2,056,934,097	95.0	61,993,870	416,048,327	96.3	416,804,807	96.3	20.3	14.3
\$15,000 or more	64,207,081	2,075,122,591	95.8	64,204,813	418,608,032	96.9	419,364,714	96.9	20.2	14.2
\$14,000 or more	66,352,806	2,091,315,145	96.5	66,351,896	420,887,737	97.4	421,644,702	97.4	20.2	14.2
\$13,000 or more	68,515,439	2,105,730,737	97.2	68,516,036	422,950,891	97.9	423,708,039	97.9	20.1	14.1
\$12,000 or more	70,716,796	2,119,193,267	97.8	70,717,393	424,933,481	98.3	425,691,660	98.3	20.1	14.0
\$11,000 or more	72,771,663	2,129,766,011	98.3	72,774,680	426,522,559	98.7	427,280,748	98.7	20.1	14.0
\$10,000 or more	74,842,351	2,139,156,750	98.8	74,846,875	427,930,390	99.0	428,688,580	99.0	20.0	13.9
\$9,000 or more	76,665,137	2,146,300,640	99.1	76,672,677	429,004,791	99.3	429,764,620	99.3	20.0	13.9
\$8,000 or more	78,407,731	2,152,326,439	99.4	78,416,777	429,915,487	99.5	429,675,316	99.5	20.0	13.8
\$7,000 or more	80,417,385	2,157,490,085	99.6	80,427,939	430,704,707	99.7	431,464,636	99.7	20.0	13.8
\$6,000 or more	82,304,692	2,160,564,663	99.7	82,317,962	431,168,512	99.8	431,928,518	99.8	20.0	13.8
\$5,000 or more	84,151,545	2,162,660,886	99.8	84,170,695	431,513,211	99.9	432,273,427	99.8	20.0	13.7
\$4,000 or more	85,080,899	2,164,033,504	99.9	85,106,077	431,734,316	99.9	432,494,532	99.9	20.0	13.7
\$3,000 or more	86,346,348	2,164,904,376	99.9	86,374,541	431,875,000	99.9	432,635,361	99.9	20.0	13.7
\$2,000 or more	87,227,315	2,165,431,275	100.0	87,255,515	431,963,244	100.0	432,727,073	100.0	20.0	13.7
\$1,000 or more	88,362,182	2,165,930,649	100.0	88,393,247	432,046,882	100.0	432,811,152	100.0	20.0	13.7
\$1 or more	89,127,496	2,166,089,001	100.0	89,161,576	432,073,475	100.0	432,837,747	100.0	20.0	13.7
<b>All returns</b>	<b>89,127,496</b>	<b>2,166,089,001</b>	<b>100.0</b>	<b>89,162,747</b>	<b>432,109,004</b>	<b>100.0</b>	<b>432,939,998</b>	<b>100.0</b>	<b>20.0</b>	<b>13.7</b>

<sup>1</sup> Percent less than .05 percent.<sup>2</sup> Less than 0.05 percent.<sup>3</sup> Percent not computed.

NOTE: Data may not add to 100% due to rounding.

**Table 1.2—All Returns: Adjusted Gross Income, Exemptions, Deductions, and Tax Items, by Size of Adjusted Gross Income and by Marital Status**  
(All figures are estimates based on samples—money amounts are in thousands of dollars)

Size of adjusted gross income	All returns										
	Number of returns (1)	Adjusted gross income less deficit (2)	Exemption amount (3)	Total itemized deductions		Standard deduction		Taxable income		Income tax after credits	
				Number of returns (4)	Amount (5)	Number of returns (6)	Amount (7)	Number of returns (8)	Amount (9)	Number of returns (10)	Amount (11)
<b>All returns, total</b>	<b>112,135,673</b>	<b>3,256,358,156</b>	<b>447,129,806</b>	<b>31,972,317</b>	<b>430,977,999</b>	<b>79,338,895</b>	<b>309,431,034</b>	<b>92,313,789</b>	<b>2,173,345,881</b>	<b>89,162,747</b>	<b>432,109,004</b>
No adjusted gross income	822,952	-42,499,835	3,236,341	—	—	—	—	—	—	1,171	35,529
\$1 under \$5,000	16,769,495	41,588,410	25,841,291	162,917	1,486,812	16,605,071	44,743,949	5,073,979	3,435,344	4,990,881	560,265
\$5,000 under \$10,000	15,006,777	111,856,574	44,304,137	629,378	5,544,711	14,377,399	54,644,476	9,855,065	24,079,405	9,323,820	3,582,821
\$10,000 under \$15,000	14,302,945	177,733,821	50,907,910	1,068,327	8,915,497	13,234,618	53,682,556	12,693,453	68,611,583	9,322,358	3,584,847
\$15,000 under \$20,000	11,738,291	204,585,452	44,573,921	1,507,281	12,176,552	10,231,010	42,108,901	11,453,173	107,022,965	11,058,593	4,597,597
\$20,000 under \$25,000	9,332,301	208,961,701	39,450,084	1,968,007	16,118,559	7,364,284	31,552,232	9,215,631	122,363,183	18,192,386	15,295,442
\$25,000 under \$30,000	7,615,124	209,191,554	34,563,796	2,321,050	19,669,661	5,294,074	23,435,320	7,560,711	131,904,440	7,541,135	18,193,167
\$30,000 under \$40,000	12,100,369	420,231,928	61,732,973	5,364,124	49,201,323	6,736,245	31,389,259	12,062,779	278,320,160	12,046,275	20,726,836
\$40,000 under \$50,000	8,590,272	383,689,075	48,483,166	5,424,444	56,658,247	3,165,828	15,828,653	8,566,122	263,107,712	8,558,417	45,597,597
\$50,000 under \$75,000	9,921,341	594,483,366	59,066,080	7,978,928	101,063,378	1,942,413	10,011,319	9,906,175	424,581,970	9,903,366	44,034,240
\$75,000 under \$100,000	3,059,386	261,107,136	17,966,464	2,802,965	48,788,332	256,421	1,353,450	3,055,245	193,047,596	3,052,872	81,250,313
\$100,000 under \$200,000	2,090,358	276,331,693	12,373,173	1,975,980	51,329,803	114,377	593,960	2,086,857	212,184,703	2,085,957	30,531,702
\$200,000 under \$500,000	612,814	179,115,618	3,656,078	598,105	29,131,280	14,709	74,976	611,729	146,390,252	611,615	54,471,932
\$500,000 under \$1,000,000	115,646	78,516,288	660,377	113,790	11,031,212	1,856	9,271	115,395	66,881,786	115,343	41,631,082
\$1,000,000 or more	57,603	151,465,353	314,014	57,021	19,862,631	581	2,714	57,475	131,414,782	57,441	18,882,584
<b>Taxable returns, total</b>	<b>89,178,355</b>	<b>3,158,293,754</b>	<b>358,432,996</b>	<b>30,427,264</b>	<b>406,592,432</b>	<b>58,743,623</b>	<b>230,525,280</b>	<b>89,127,496</b>	<b>2,165,089,001</b>	<b>89,162,747</b>	<b>432,109,004</b>
No adjusted gross income	5,961	-2,971,100	24,303	—	—	—	—	—	—	1,171	35,529
\$1 under \$5,000	4,990,882	13,021,938	97,590	13,275	40,176	4,976,100	9,547,800	4,975,952	3,428,115	4,990,881	560,265
\$5,000 under \$10,000	9,324,913	69,632,105	16,130,083	210,662	932,534	9,114,252	29,110,743	9,309,194	23,504,135	9,323,820	3,582,821
\$10,000 under \$15,000	10,643,030	133,270,785	27,563,156	632,279	3,780,473	10,010,751	37,920,799	10,635,270	64,034,160	10,642,063	3,584,847
\$15,000 under \$20,000	11,058,757	193,259,475	38,920,424	1,254,433	8,409,615	9,804,324	39,961,936	11,058,593	105,982,666	11,058,593	4,597,597
\$20,000 under \$25,000	9,173,782	205,473,198	38,134,984	1,839,166	13,816,274	7,334,616	31,400,084	9,173,777	122,122,458	9,173,777	15,295,442
\$25,000 under \$30,000	7,541,919	207,195,437	33,996,545	2,256,594	18,110,351	5,285,324	23,390,888	7,541,203	131,703,925	7,541,135	18,193,167
\$30,000 under \$40,000	12,046,515	418,392,529	61,353,847	5,323,256	47,699,143	6,723,259	31,324,835	12,046,484	278,017,605	12,046,275	20,726,836
\$40,000 under \$50,000	8,560,180	382,362,994	48,304,127	5,395,357	55,295,640	3,164,824	15,823,431	8,558,577	262,963,947	8,558,417	45,597,597
\$50,000 under \$75,000	9,905,916	593,569,941	59,000,450	7,963,571	100,095,906	1,942,344	10,010,963	9,903,864	424,526,687	9,903,366	44,034,240
\$75,000 under \$100,000	3,053,791	260,645,078	17,928,638	2,797,370	48,340,915	256,421	1,353,450	3,053,693	193,038,040	3,052,872	81,250,313
\$100,000 under \$200,000	2,087,727	275,945,659	12,354,563	1,973,422	50,883,664	114,305	593,584	2,086,443	212,155,734	2,085,957	30,531,702
\$200,000 under \$500,000	611,980	178,874,534	3,651,266	597,303	28,812,336	14,677	74,837	611,612	146,369,170	611,615	54,471,932
\$500,000 under \$1,000,000	115,492	78,412,404	659,220	113,639	10,895,154	1,853	9,257	115,378	66,874,734	115,343	41,631,082
\$1,000,000 or more	57,510	151,209,142	313,500	56,937	19,580,250	572	2,674	57,458	131,367,623	57,441	18,882,584
<b>Nontaxable returns, total</b>	<b>22,957,318</b>	<b>98,064,402</b>	<b>88,696,810</b>	<b>1,545,054</b>	<b>24,285,567</b>	<b>20,595,273</b>	<b>78,905,755</b>	<b>3,186,293</b>	<b>7,256,880</b>	<b>—</b>	<b>—</b>

Footnote(s) at end of table

**Table 1.2—All Returns: Adjusted Gross Income, Exemptions, Deductions, and Tax Items, by Size of Adjusted Gross Income and by Marital Status**  
**—Continued**

(All figures are estimates based on samples—money amounts are in thousands of dollars)

Size of adjusted gross income	Joint returns of husbands and wives											
	Total itemized deductions		Standard deduction		Taxable income		Income tax after credits		Total income tax			
	Number of returns (14)	Exemption amount (15)	Number of returns (16)	Amount (17)	Number of returns (18)	Amount (19)	Number of returns (20)	Amount (21)	Number of returns (22)	Amount (23)	Number of returns (24)	Amount (25)
<b>All returns, total</b>	<b>48,076,037</b>	<b>2,212,441,059</b>	<b>300,244,494</b>	<b>22,492,686</b>	<b>333,321,161</b>	<b>25,196,553</b>	<b>136,434,326</b>	<b>42,435,569</b>	<b>1,500,295,922</b>	<b>41,475,184</b>	<b>305,916,719</b>	<b>41,484,854</b>
No adjusted gross income	386,797	-30,109,621	2,295,188	—	—	—	—	—	—	251	10,530	3,553
\$1 under \$5,000	1,150,517	3,360,849	6,729,055	62,268	629,344	1,088,249	5,918,303	*3,322	*106	*10,865	*9,141	*10,866
\$5,000 under \$10,000	2,649,846	20,753,899	15,240,268	150,636	1,611,667	2,499,210	13,778,040	135,745	48,527	144,601	24,189	145,694
\$10,000 under \$15,000	3,915,064	49,072,613	22,229,115	380,128	3,510,948	3,534,936	19,674,662	2,738,721	6,610,811	2,119,299	857,627	2,119,353
\$15,000 under \$20,000	3,915,683	68,536,293	23,193,939	615,101	5,888,021	3,300,582	18,041,686	3,691,207	22,309,360	3,409,488	3,056,144	3,409,652
\$20,000 under \$25,000	3,914,346	88,085,184	24,301,813	833,385	7,809,593	3,080,961	16,640,936	3,831,159	39,687,510	3,797,605	5,860,615	3,797,609
\$25,000 under \$30,000	3,892,312	107,245,997	24,349,869	1,146,247	10,882,508	2,746,066	14,671,817	3,848,032	57,542,020	3,829,711	8,464,309	3,830,425
\$30,000 under \$40,000	7,634,374	266,902,423	49,471,678	3,278,636	31,532,033	4,535,738	23,044,713	7,604,083	163,193,630	7,589,286	24,059,584	7,589,457
\$40,000 under \$50,000	6,723,348	301,170,395	43,558,917	4,168,119	44,025,388	2,555,229	13,671,167	6,705,553	200,243,230	6,701,307	31,115,970	6,701,307
\$50,000 under \$75,000	8,692,299	522,056,819	55,821,026	6,991,428	88,380,385	1,700,871	9,150,467	8,682,764	368,844,282	8,681,540	68,434,471	8,682,721
\$75,000 under \$100,000	2,711,319	231,196,440	17,045,394	2,481,735	43,458,953	229,584	1,255,289	2,708,408	169,479,913	2,706,308	36,583,084	2,706,927
\$100,000 under \$200,000	1,817,091	239,943,971	11,678,441	1,725,266	45,155,741	91,826	513,959	1,814,667	182,732,569	1,813,905	46,126,223	1,815,100
\$200,000 under \$500,000	527,621	153,916,103	3,427,046	516,002	25,094,990	11,618	63,796	526,780	125,443,128	526,697	35,570,808	526,961
\$500,000 under \$1,000,000	97,345	66,172,369	612,943	96,013	9,310,710	1,332	7,557	97,148	56,294,305	97,099	15,783,281	97,222
\$1,000,000 or more	48,076	124,107,326	289,805	47,724	16,030,880	352	1,936	47,980	107,866,532	47,955	29,960,743	48,007
<b>Taxable returns, total</b>	<b>41,484,854</b>	<b>2,178,430,655</b>	<b>256,232,942</b>	<b>21,636,238</b>	<b>319,444,359</b>	<b>19,845,063</b>	<b>107,440,337</b>	<b>41,448,122</b>	<b>1,497,978,608</b>	<b>41,475,184</b>	<b>305,916,719</b>	<b>41,484,854</b>
No adjusted gross income	3,553	-2,350,987	18,884	—	—	—	—	—	—	251	10,530	3,553
\$1 under \$5,000	*10,866	*37,179	*33,224	*9	*1,842	*10,857	*56,528	*3,322	*106	*10,865	*9,141	*10,866
\$5,000 under \$10,000	145,694	1,361,105	981,849	*4,616	*32,721	141,078	743,796	131,482	47,975	144,601	24,189	145,694
\$10,000 under \$15,000	2,119,353	26,884,973	8,759,943	130,012	928,984	1,989,341	11,500,843	2,112,506	5,711,158	2,119,299	857,627	2,119,353
\$15,000 under \$20,000	3,409,652	60,110,994	18,577,737	431,184	3,402,350	2,978,468	16,367,682	3,409,488	21,778,391	3,409,488	3,056,144	3,409,652
\$20,000 under \$25,000	3,797,609	85,511,627	23,138,629	744,818	6,390,841	3,052,790	16,495,644	3,797,605	39,487,083	3,797,605	5,860,615	3,797,609
\$25,000 under \$30,000	3,830,425	105,549,219	23,821,927	1,091,923	9,743,750	2,738,502	14,631,060	3,829,710	57,358,748	3,829,711	8,464,309	3,830,425
\$30,000 under \$40,000	7,589,457	265,375,511	49,119,791	3,245,067	30,334,061	4,344,390	22,986,722	7,589,426	162,937,838	7,589,286	24,059,584	7,589,457
\$40,000 under \$50,000	6,701,307	300,191,267	43,416,878	4,147,082	43,015,990	2,554,225	13,665,945	6,699,732	200,111,482	6,700,576	31,115,970	6,701,307
\$50,000 under \$75,000	8,682,721	521,491,284	55,769,372	6,981,919	87,755,188	1,700,803	9,150,111	8,681,951	368,823,601	8,681,540	68,434,471	8,682,721
\$75,000 under \$100,000	2,706,927	230,825,990	17,009,984	2,477,343	43,104,991	229,584	1,255,289	2,706,855	169,470,357	2,706,308	36,583,084	2,706,927
\$100,000 under \$200,000	1,815,100	239,669,199	11,661,111	1,723,347	44,823,613	91,753	513,584	1,814,254	182,703,600	1,813,905	46,126,223	1,815,100
\$200,000 under \$500,000	526,961	153,724,346	3,422,687	515,364	24,837,514	*12,926	*71,226	526,690	125,427,751	526,961	35,570,808	526,961
\$500,000 under \$1,000,000	97,222	66,089,658	612,166	95,892	9,201,041	346	1,907	97,134	56,289,203	97,099	15,783,281	97,222
\$1,000,000 or more	48,007	123,959,291	289,361	47,661	15,871,473	—	—	47,969	107,831,315	47,955	29,960,743	48,007
<b>Nontaxable returns, total</b>	<b>6,591,183</b>	<b>33,980,403</b>	<b>44,011,552</b>	<b>856,448</b>	<b>13,876,801</b>	<b>5,351,491</b>	<b>28,993,989</b>	<b>987,447</b>	<b>2,317,314</b>	<b>—</b>	<b>—</b>	<b>—</b>

Footnote(s) at end of table

**Table 1.2—All Returns: Adjusted Gross Income, Exemptions, Deductions, and Tax Items, by Size of Adjusted Gross Income and by Marital Status**  
—Continued

(All figures are estimates based on samples—money amounts are in thousands of dollars)

Returns of married people filing separately, heads of households, and surviving spouses													
Size of adjusted gross income	Number of returns (27)	Adjusted gross income less deficit (28)	Exemption amount (29)	Total itemized deductions		Standard deduction		Taxable income		Income tax after credits		Total income tax	
				Number of returns (30)	Amount (31)	Number of returns (32)	Amount (33)	Number of returns (34)	Amount (35)	Number of returns (36)	Amount (37)	Number of returns (38)	Amount (39)
<b>All returns, total</b>	<b>14,100,174</b>	<b>264,271,702</b>	<b>64,646,187</b>	<b>2,544,291</b>	<b>25,817,646</b>	<b>11,472,852</b>	<b>49,457,081</b>	<b>10,074,172</b>	<b>144,116,388</b>	<b>8,070,195</b>	<b>24,600,639</b>	<b>8,071,819</b>	<b>24,661,404</b>
No adjusted gross income	81,523	-3,320,249	279,604	—	—	—	—	—	—	*6	*1	215	7,178
\$1 under \$5,000	1,739,691	4,902,258	7,831,901	18,791	135,235	1,719,393	7,275,319	34,988	22,813	33,630	3,790	33,630	3,790
\$5,000 under \$10,000	2,677,375	20,180,353	12,330,814	52,245	304,576	2,625,130	11,402,561	802,381	1,160,955	348,337	103,369	348,337	103,369
\$10,000 under \$15,000	2,823,462	35,022,120	13,523,939	164,375	1,115,914	2,659,087	11,499,460	2,498,851	9,462,543	1,074,290	605,726	1,074,290	605,726
\$15,000 under \$20,000	2,128,654	36,986,892	9,685,574	244,659	1,676,951	1,883,995	8,032,662	2,105,628	17,687,163	1,995,061	2,181,486	1,995,061	2,181,486
\$20,000 under \$25,000	1,548,110	34,511,947	7,145,805	371,246	2,769,996	1,176,863	5,095,691	1,537,560	19,537,698	1,529,260	2,782,290	1,529,260	2,782,290
\$25,000 under \$30,000	975,541	26,723,814	4,525,808	377,372	2,905,240	598,169	2,597,598	972,514	16,706,749	972,514	2,526,344	972,514	2,526,344
\$30,000 under \$40,000	1,210,981	41,701,289	5,417,684	593,458	5,164,126	617,523	2,697,953	1,208,273	28,435,708	1,207,269	4,553,551	1,207,337	4,553,552
\$40,000 under \$50,000	468,474	20,619,951	2,001,800	328,904	3,499,191	139,570	619,823	467,713	14,506,219	464,985	2,666,298	466,017	2,667,969
\$50,000 under \$75,000	286,375	16,873,164	1,215,427	240,963	3,210,688	45,412	204,573	286,349	12,245,112	285,151	2,594,823	285,234	2,602,508
\$75,000 under \$100,000	81,793	7,040,243	355,038	77,431	1,203,930	*4,362	*17,004	81,793	5,464,271	81,725	1,340,555	81,793	1,341,577
\$100,000 under \$200,000	50,946	6,709,849	221,258	48,286	1,285,589	2,659	11,816	50,942	5,191,617	50,805	1,399,926	50,946	1,415,878
\$200,000 under \$500,000	20,614	6,122,205	86,560	20,048	989,505	567	2,134	20,572	5,049,635	20,560	1,440,066	20,571	1,445,758
\$500,000 under \$1,000,000	4,334	2,825,150	16,220	4,265	414,038	69	276	4,322	2,397,362	4,320	697,963	4,323	706,444
\$1,000,000 or more	2,301	7,372,715	8,755	2,248	1,142,669	52	210	2,286	6,248,543	2,281	1,704,451	2,288	1,717,535
<b>Taxable returns, total</b>	<b>8,071,819</b>	<b>221,056,808</b>	<b>34,487,696</b>	<b>2,349,701</b>	<b>23,629,820</b>	<b>5,720,395</b>	<b>23,854,040</b>	<b>8,071,537</b>	<b>139,414,885</b>	<b>8,070,195</b>	<b>24,600,639</b>	<b>8,071,819</b>	<b>24,661,404</b>
No adjusted gross income	215	-314,300	989	—	—	—	—	—	—	*6	*1	215	7,178
\$1 under \$5,000	33,630	111,107	29,812	*4,521	*1,659	27,602	56,824	33,630	22,812	33,630	3,790	33,630	3,790
\$5,000 under \$10,000	348,337	2,684,557	899,773	17,936	58,734	330,401	1,028,541	348,337	697,509	348,337	103,369	348,337	103,369
\$10,000 under \$15,000	1,074,290	14,146,620	3,988,298	75,052	363,099	999,238	3,969,432	1,074,290	5,825,791	1,074,290	605,726	1,074,290	605,726
\$15,000 under \$20,000	1,995,061	34,784,426	8,740,405	214,702	1,280,029	1,780,359	7,563,304	1,995,061	17,200,688	1,995,061	2,181,486	1,995,061	2,181,486
\$20,000 under \$25,000	1,529,260	34,102,242	7,042,768	353,904	2,473,239	1,175,356	5,088,834	1,529,260	19,497,401	1,529,260	2,782,290	1,529,260	2,782,290
\$25,000 under \$30,000	972,514	26,644,278	4,510,193	374,345	2,829,737	598,169	2,597,598	972,514	16,706,749	972,514	2,526,344	972,514	2,526,344
\$30,000 under \$40,000	1,207,337	41,568,325	5,401,032	590,750	5,063,267	616,587	2,693,695	1,207,337	28,410,331	1,207,269	4,553,552	1,207,337	4,553,552
\$40,000 under \$50,000	466,017	20,517,865	1,975,989	326,448	3,432,974	139,570	619,823	465,989	14,494,202	464,985	2,666,298	466,017	2,667,969
\$50,000 under \$75,000	285,234	16,807,091	1,210,866	239,822	3,171,138	45,412	204,573	285,219	12,221,585	285,151	2,594,823	285,234	2,602,508
\$75,000 under \$100,000	81,793	7,040,243	355,038	77,431	1,203,930	*4,362	*17,004	81,793	5,464,271	81,725	1,340,555	81,793	1,341,577
\$100,000 under \$200,000	50,946	6,709,849	221,258	48,286	1,285,589	2,659	11,816	50,942	5,191,617	50,805	1,399,926	50,946	1,415,878
\$200,000 under \$500,000	20,571	6,109,565	86,385	20,011	975,760	561	2,120	20,572	5,049,635	20,560	1,440,066	20,571	1,445,758
\$500,000 under \$1,000,000	4,323	2,817,486	16,180	4,255	405,705	**118	**477	4,320	2,397,362	4,320	697,963	4,323	706,444
\$1,000,000 or more	2,288	7,327,456	8,710	2,237	1,084,961	**	**	2,282	6,239,463	2,281	1,704,451	2,288	1,717,535
<b>Non-taxable returns, total</b>	<b>6,028,355</b>	<b>43,214,893</b>	<b>30,158,491</b>	<b>194,589</b>	<b>2,187,826</b>	<b>5,752,457</b>	<b>25,603,041</b>	<b>2,002,635</b>	<b>4,701,503</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>

Footnote(s) at end of table

**Table 1.2—All Returns: Adjusted Gross Income, Exemptions, Deductions, and Tax Items, by Size of Adjusted Gross Income and by Marital Status—Continued**

(All figures are estimates based on samples—money amounts are in thousands of dollars)

Size of adjusted gross income	Returns of single persons												
	Number of returns (40)	Adjusted gross income less deficit (41)	Exemption amount (42)	Total itemized deductions		Standard deduction		Taxable income		Income tax after credits		Total income tax	
				Number of returns (43)	Amount (44)	Number of returns (45)	Amount (46)	Number of returns (47)	Amount (48)	Number of returns (49)	Amount (50)	Number of returns (51)	Amount (52)
<b>All returns, total</b> .....	<b>49,959,463</b>	<b>779,675,396</b>	<b>82,239,126</b>	<b>6,935,341</b>	<b>71,839,193</b>	<b>42,669,491</b>	<b>123,539,627</b>	<b>39,804,048</b>	<b>528,933,571</b>	<b>39,617,368</b>	<b>101,591,646</b>	<b>39,621,683</b>	<b>101,748,895</b>
No adjusted gross income	354,632	- 9,069,964	661,550	—	—	—	—	—	—	*914	*24,998	2,193	31,879
\$1 under \$5,000	13,879,288	33,325,303	11,280,336	81,859	722,233	13,797,429	31,550,326	5,035,669	3,412,425	4,946,386	547,333	4,946,386	548,031
\$5,000 under \$10,000	9,679,556	70,922,323	16,733,056	426,497	3,628,469	9,253,059	29,463,875	8,916,940	22,869,924	8,830,882	3,455,262	8,830,882	3,455,471
\$10,000 under \$15,000	7,564,419	93,639,089	15,154,856	523,824	4,288,635	7,040,595	22,508,435	7,455,881	52,538,229	7,448,474	7,859,005	7,449,387	7,859,288
\$15,000 under \$20,000	5,693,954	99,062,267	11,694,408	647,521	4,611,580	5,046,433	16,034,552	5,656,338	67,026,442	5,654,044	10,047,013	5,654,044	10,047,013
\$20,000 under \$25,000	3,869,845	86,364,570	8,002,485	763,375	5,538,970	3,106,470	9,815,605	3,846,912	63,137,974	3,846,912	9,549,481	3,846,913	9,549,627
\$25,000 under \$30,000	2,747,271	75,221,743	5,688,119	797,431	5,881,913	1,949,839	6,165,905	2,740,164	57,655,672	2,738,910	9,724,280	2,738,980	9,734,004
\$30,000 under \$40,000	3,255,015	111,628,216	6,843,612	1,492,031	12,505,164	1,762,984	5,646,593	3,250,423	86,690,822	3,249,721	16,975,390	3,249,721	16,981,212
\$40,000 under \$50,000	1,398,451	61,898,729	2,922,449	927,422	9,133,668	471,029	1,537,664	1,392,856	48,358,263	1,392,856	10,231,696	1,392,856	10,241,722
\$50,000 under \$75,000	942,667	55,553,402	2,029,627	746,538	9,472,306	196,129	656,279	937,063	43,492,577	936,694	10,166,560	937,960	10,175,985
\$75,000 under \$100,000	266,274	22,870,453	566,033	243,799	4,125,449	22,475	81,156	265,045	18,103,412	264,839	4,709,007	265,070	4,713,521
\$100,000 under \$200,000	222,321	29,677,874	473,474	202,428	4,888,473	19,893	68,184	221,247	24,260,517	221,247	6,795,821	221,681	6,836,896
\$200,000 under \$500,000	64,579	19,077,310	142,472	62,055	3,046,786	2,524	9,046	64,378	15,897,489	64,359	4,458,052	64,448	4,483,120
\$500,000 under \$1,000,000	13,967	9,518,769	31,214	13,512	1,306,464	455	1,438	13,925	8,190,119	13,924	2,277,779	13,947	2,294,026
\$1,000,000 or more	7,226	19,985,313	15,454	7,049	2,689,083	178	568	7,208	17,299,707	7,205	4,769,968	7,215	4,797,102
<b>Taxable returns, total</b> .....	<b>39,621,683</b>	<b>758,806,290</b>	<b>67,712,359</b>	<b>6,441,325</b>	<b>63,618,252</b>	<b>33,178,165</b>	<b>99,230,903</b>	<b>39,607,837</b>	<b>528,695,508</b>	<b>39,617,368</b>	<b>101,591,646</b>	<b>39,621,683</b>	<b>101,748,895</b>
No adjusted gross income	2,193	- 305,813	4,430	—	—	—	—	—	—	*914	*24,998	2,193	31,879
\$1 under \$5,000	4,946,386	12,873,652	34,555	*8,745	*36,675	4,937,641	9,434,448	4,939,000	3,405,197	4,946,386	547,333	4,946,386	548,031
\$5,000 under \$10,000	8,830,882	65,586,443	14,648,461	188,110	841,079	8,642,772	27,338,406	8,829,375	22,758,652	8,830,882	3,455,262	8,830,882	3,455,471
\$10,000 under \$15,000	7,449,387	92,239,191	14,815,515	427,215	2,488,390	7,022,172	22,450,524	7,448,474	52,497,211	7,448,474	7,859,005	7,449,387	7,859,288
\$15,000 under \$20,000	5,654,044	98,364,055	11,602,282	608,547	3,727,236	5,045,497	16,030,950	5,654,044	67,003,587	5,654,044	10,047,013	5,654,044	10,047,013
\$20,000 under \$25,000	3,846,913	85,859,329	7,953,587	740,443	4,952,193	3,106,470	9,815,605	3,846,912	63,137,974	3,846,912	9,549,481	3,846,913	9,549,627
\$25,000 under \$30,000	2,738,960	75,007,941	5,664,425	790,326	5,536,864	1,948,654	6,162,230	2,738,979	57,638,428	2,738,910	9,724,280	2,738,980	9,734,004
\$30,000 under \$40,000	3,249,721	111,448,693	6,833,024	1,487,439	12,301,815	1,762,282	5,644,418	3,249,721	86,669,436	3,249,721	16,975,390	3,249,721	16,981,212
\$40,000 under \$50,000	1,392,856	61,653,862	2,911,259	921,827	8,846,676	471,029	1,537,664	1,392,856	48,358,263	1,392,856	10,231,696	1,392,856	10,241,722
\$50,000 under \$75,000	937,960	55,271,566	2,020,212	741,830	9,169,580	196,129	656,279	936,694	43,481,501	936,694	10,166,560	937,960	10,175,985
\$75,000 under \$100,000	265,070	22,778,845	563,616	242,596	4,031,994	22,475	81,156	265,045	18,103,412	264,839	4,709,007	265,070	4,713,521
\$100,000 under \$200,000	221,681	29,566,611	472,194	201,788	4,774,462	19,893	68,184	221,247	24,260,517	221,247	6,795,821	221,681	6,836,896
\$200,000 under \$500,000	64,448	19,040,623	142,195	61,928	2,999,063	*3,152	*11,038	64,362	15,895,180	64,359	4,458,052	64,448	4,483,120
\$500,000 under \$1,000,000	13,947	9,504,896	31,174	13,492	1,288,408	..	..	*21,130	*25,486,150	13,924	2,277,779	13,947	2,294,026
\$1,000,000 or more	7,215	19,922,395	15,430	7,039	2,623,816	..	..	..	..	7,205	4,769,968	7,215	4,797,102
<b>Nontaxable returns, total</b> .....	<b>10,337,780</b>	<b>20,869,105</b>	<b>14,526,767</b>	<b>494,016</b>	<b>8,220,940</b>	<b>9,491,325</b>	<b>24,308,724</b>	<b>196,211</b>	<b>238,063</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>

\* Estimate should be used with caution because of the small number of sample returns on which it is based.

\*\* Data computed to avoid disclosure of information for specific taxpayers.

NOTE: Detail may not add to totals because of rounding.

Table 1.3—All Returns: Sources of Income, Adjustments, Deductions, Credits, and Tax Items, by Marital Status

(All figures are estimates based on samples—money amounts are in thousands of dollars)

Item	All returns			Joint returns of husbands and wives			Separate returns of husbands and wives			Returns of heads of households			Returns of surviving spouses			Returns of single persons																				
	Number of returns	Amount	(1)	Number of returns	Amount	(2)	Number of returns	Amount	(3)	Number of returns	Amount	(4)	Number of returns	Amount	(5)	Number of returns	Amount	(6)	Number of returns	Amount	(7)	Number of returns	Amount	(8)	Number of returns	Amount	(9)	Number of returns	Amount	(10)	Number of returns	Amount	(11)	Number of returns	Amount	(12)
Adjusted gross income less deficit	112,135,673	3,256,358,156		48,076,037	2,212,411,059		2,118,193	46,376,657		11,881,607	214,431,090		100,374	2,863,954		49,959,463	779,675,396																			
Salaries and wages	95,487,922	2,449,530,553		41,112,738	1,647,489,396		1,858,695	36,482,839		11,281,981	187,956,871		79,306	1,665,956		41,155,202	575,935,490																			
Taxable interest	69,881,648	220,015,823		37,317,812	135,263,510		548,870	2,931,983		4,080,027	5,825,434		81,150	336,595		27,453,789	75,658,301																			
Tax-exempt interest	3,730,291	37,589,693		2,337,166	24,336,370		30,370	796,634		51,323	682,729		6,555	19,521		11,754,441	11,754,441																			
Dividends	23,079,592	81,309,036		13,898,686	50,474,328		247,162	1,541,518		1,049,269	2,623,582		26,997	78,648		7,857,478	26,590,960																			
State income tax refunds	16,589,028	9,233,859		11,899,439	7,040,879		259,483	133,317		1,916,636	457,112		14,756	11,755		3,323,713	1,590,796																			
Alimony received	462,025	3,598,148		40,330	160,133		*6,102	*99,395		197,793	1,537,425		—	—		217,801	1,801,195																			
Business or profession																																				
Net income	11,017,545	152,416,377		7,762,774	118,786,446		206,563	3,101,947		558,212	5,246,267		4,631	62,976		2,485,365	25,218,741																			
Net loss	3,143,151	19,678,697		2,232,986	14,216,129		52,555	459,905		157,507	687,844		*855	*2,555		699,247	4,312,163																			
Sales of capital assets																																				
Net gain	10,722,512	153,513,725		6,764,219	114,134,550		130,728	3,222,692		408,011	4,261,079		13,284	94,542		3,406,271	31,300,861																			
Net loss in AGI	4,337,150	7,882,795		2,729,573	5,124,135		53,071	59,598		165,582	278,730		*7,600	*11,010		1,381,325	2,409,321																			
Sales of property other than capital assets	1,771,117	1,058,830		1,353,248	1,444,093		23,195	—64,005		51,323	12,006		6,306	—1,048		337,046	—332,216																			
Taxable IRA distributions	2,985,214	13,875,464		2,077,537	10,511,126		38,375	190,865		140,366	588,810		3,367	*23,289		725,538	2,561,254																			
Pensions and annuities in AGI	16,816,830	147,358,442		10,649,321	104,239,320		162,292	1,314,340		804,957	4,752,830		32,949	306,352		5,166,881	36,745,600																			
Rent and royalty																																				
Net income	5,245,296	32,409,369		3,664,459	24,448,675		65,415	398,209		196,026	895,397		2,138	66,056		1,317,257	6,601,032																			
Net loss	5,760,437	33,847,624		4,181,938	25,765,831		58,679	304,966		264,597	1,250,926		8,119	39,489		1,247,104	6,486,412																			
Farm rental income less loss	611,312	2,365,914		366,474	1,416,642		6,839	25,026		11,414	30,495		*1,887	*2,610		224,698	891,142																			
Partnership and S Corporation net income less loss	5,928,288	63,092,057		4,267,028	52,986,750		90,036	69,077		199,608	1,662,777		5,695	119,301		1,365,920	8,254,153																			
Estate and trust net income less loss	552,497	3,958,896		270,825	1,585,878		6,726	160,907		14,247	195,537		4,887	121,661		255,813	1,894,914																			
Farm net income less loss	2,359,718	—213,939		1,929,977	196,789		15,103	—170,190		48,187	—81,291		*4,744	*20,955		361,706	—180,202																			
Unemployment compensation	7,175,322	12,095,062		4,065,810	7,326,889		137,994	208,608		998,594	1,452,084		*3,231	39,368		1,969,693	3,103,493																			
Social Security benefits in AGI	4,675,100	17,347,058		2,985,024	12,245,442		65,061	186,908		102,932	292,611		15,358	39,368		1,506,726	4,582,729																			
Other income less loss	6,364,065	18,683,150		4,206,014	13,312,615		76,701	190,564		346,347	1,077,216		3,348	12,417		1,731,655	4,090,338																			
Total statutory adjustments	9,926,729	24,572,969		6,399,032	16,984,837		135,110	441,850		555,965	1,172,964		20,550	32,235		2,816,071	5,941,082																			
IRA payments, primary taxpayer	5,280,531	7,806,631		3,097,225	4,584,342		65,496	103,184		350,424	457,027		—	—		1,752,544	2,637,777																			
IRA payments, secondary taxpayer	2,372,984	3,022,063		2,372,984	3,022,063		—	—		—	—		—	—		—	—																			
Payments to a Keogh plan	822,353	6,326,156		649,496	5,274,674		7,659	77,350		36,439	179,983		*1,058	*4,786		127,701	789,362																			
Alimony paid	600,571	4,514,401		276,021	1,956,579		28,639	225,372		57,227	400,925		37,245	—		238,685	1,871,525																			
Total itemized deductions	31,972,317	430,977,999		22,492,686	333,321,161		660,056	6,330,790		1,846,989	19,008,311		11,993	478,545		6,935,341	71,839,193																			
Medical and dental expense deduction	5,128,338	20,920,881		3,302,230	10,312,373		95,520	232,567		323,344	723,529		33,230	1,395,250		3,395,250	9,619,182																			
Taxes paid deduction	31,392,533	131,299,652		22,318,890	103,680,377		621,782	1,885,111		1,809,279	5,308,994		37,109	139,608		6,605,472	20,285,562																			
Interest paid deduction	29,437,522	193,186,035		21,516,835	155,157,338		564,337	2,665,827		1,765,545	9,476,482		33,940	224,302		5,555,962	25,662,085																			
Contributions deduction	189,694	1,744,217		118,794	43,422,477		546,299	925,059		1,681,587	1,994,497		34,227	19,676		5,857,528	9,067,496																			
Casualty or theft loss deduction	907,719	3,943,073		659,616	3,086,365		17,628	74,445		37,775	141,410		—	—		191,701	640,853																			
Moving expense deduction	8,031,155	24,424,938		5,308,076	16,340,657		18,771	522,998		545,040	1,333,690		7,282	17,374		1,993,588	6,210,219																			
Total miscellaneous deductions	79,338,895	299,978,991		25,196,553	130,703,067		1,408,431	3,605,553		10,002,802	45,298,988		61,619	320,180		42,669,491	120,051,203																			
Basic standard deduction	10,551,521	9,455,043		5,657,351	5,731,259		60,872	36,813		252,491	191,184		*7,272	*4,363		4,573,535	3,488,424																			
Additional standard deduction	92,313,789	2,173,345,881		42,435,569	1,500,295,922		1,788,023	33,802,575		8,215,733	108,658,415		70,147	1,655,398		39,804,048	528,933,571																			
Taxable income	12,034,697	6,131,134		6,922,086	3,827,720		80,844	118,471		4,491,896	1,762,256		22,529	7,141		517,342	415,546																			
Child care credit	6,028,094	2,439,471		4,389,267	1,700,273		57,066	25,920		1,520,948	689,348		*4,763	*2,437		56,050	21,493																			
Credit for the elderly or disabled	319,758	64,490		94,865	20,958		*1,507	*552		*13,415	*2,712		—	—		209,971	40,268																			
Foreign tax credit	641,557	1,311,742		431,306	969,857		15,632	79,358		23,101	42,363		*1,022	*839		170,495	219,324																			
Earned income credit used to offset income tax before credits	5,339,062	1,379,528		1,868,257	388,348		—	—		3,452,562	1,007,418		18,244	3,761		—	—																			
Minimum tax credit	39,869	25																																		

Table 1.4—All Returns: Sources of Income, Adjustments, and Tax Items, by Size of Adjusted Gross Income

(All figures are estimates based on samples—money amounts are in thousands of dollars)

Size of adjusted gross income	Adjusted gross income less deficit		Salaries and wages		Taxable interest		Tax-exempt interest		Dividends		State income tax refunds	
	(1)	(2)	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
All returns, total	112,135,673	3,256,358,156	95,487,922	2,449,530,553	69,881,648	220,015,823	3,730,291	37,589,693	23,079,592	81,309,036	16,589,028	9,233,859
No adjusted gross income	822,952	-42,499,835	300,919	5,879,160	534,861	4,486,760	30,563	695,850	208,863	756,186	80,495	129,297
\$1 under \$5,000	16,769,495	41,588,410	13,750,614	35,044,742	6,431,109	4,027,938	82,717	231,876	1,342,155	1,070,651	121,303	33,564
\$5,000 under \$10,000	15,006,777	11,856,574	11,871,201	81,811,449	6,516,303	11,488,625	124,942	518,217	1,607,542	2,183,254	264,332	105,909
\$10,000 under \$15,000	14,302,945	177,733,821	11,485,347	131,119,459	6,979,368	16,607,399	181,500	710,404	1,672,697	3,140,994	470,710	154,184
\$15,000 under \$20,000	11,738,291	204,585,452	9,950,317	159,397,390	6,513,196	15,172,781	189,203	537,085	1,675,584	3,217,291	700,786	232,511
\$20,000 under \$25,000	9,332,301	208,961,701	8,111,108	167,897,699	5,823,124	13,709,420	187,471	895,783	1,529,217	3,219,684	983,777	295,275
\$25,000 under \$30,000	7,615,124	209,191,554	6,845,208	172,746,654	5,359,187	11,450,518	185,083	1,157,502	1,572,346	2,856,879	1,289,369	428,450
\$30,000 under \$40,000	12,100,369	420,231,928	11,013,847	350,659,623	9,416,324	20,549,298	424,513	2,764,798	2,911,648	5,801,063	2,988,326	999,920
\$40,000 under \$50,000	8,590,272	383,689,075	7,854,553	316,833,353	7,737,970	18,630,571	436,769	2,567,367	2,662,035	5,306,668	3,007,923	1,126,606
\$50,000 under \$75,000	9,921,341	594,483,386	9,153,751	489,422,944	9,183,951	28,282,887	683,865	4,676,656	4,120,383	11,042,846	4,120,453	1,785,794
\$75,000 under \$100,000	3,059,386	261,107,136	2,738,138	196,112,637	2,936,763	16,104,602	431,306	3,811,559	1,724,579	7,403,970	1,293,833	830,837
\$100,000 under \$200,000	2,090,358	276,331,693	1,773,033	176,346,471	2,032,453	20,097,831	466,185	5,950,522	1,415,081	10,253,801	921,583	1,139,727
\$200,000 under \$500,000	612,814	179,115,618	498,535	94,765,714	608,225	14,919,365	216,762	5,601,107	485,946	9,456,197	258,679	809,306
\$500,000 under \$1,000,000	115,646	78,516,288	93,916	34,437,521	115,315	7,844,201	55,662	2,880,864	99,207	4,590,425	56,209	396,071
\$1,000,000 or more	57,603	151,465,353	47,434	37,085,737	57,500	16,643,627	33,751	4,590,103	52,310	11,009,128	31,252	766,406
Taxable returns, total	89,178,355	3,158,293,754	77,019,620	2,337,829,895	62,633,521	204,275,883	3,528,392	35,783,095	21,241,247	77,814,737	15,853,151	8,813,236
No adjusted gross income	5,961	-2,971,100	3,418	253,726	5,951	657,670	1,552	129,796	3,575	118,119	1,450	5,635
\$1 under \$5,000	4,990,882	13,021,938	3,820,445	10,145,273	3,793,817	1,824,441	31,956	33,690	831,907	513,094	16,429	2,872
\$5,000 under \$10,000	9,324,913	69,632,105	7,663,003	52,728,906	4,287,569	6,995,944	60,298	260,564	956,300	1,349,165	100,720	51,173
\$10,000 under \$15,000	10,643,030	133,270,785	8,248,376	94,336,816	5,752,973	14,654,744	151,424	549,141	1,414,079	2,708,143	290,448	85,287
\$15,000 under \$20,000	11,058,757	193,259,475	9,383,181	150,634,769	6,160,111	14,426,859	179,166	455,818	1,581,183	2,994,016	607,649	188,531
\$20,000 under \$25,000	9,173,782	205,473,198	8,002,527	165,387,763	5,704,777	13,187,949	180,976	810,245	1,491,478	3,032,784	931,263	264,941
\$25,000 under \$30,000	7,541,919	207,195,437	6,789,540	171,325,458	5,302,173	11,101,647	183,335	1,150,801	1,545,478	2,793,958	1,266,389	411,509
\$30,000 under \$40,000	12,046,515	418,392,529	10,982,524	349,694,343	9,369,534	20,118,070	420,900	2,589,973	2,888,993	5,662,084	2,968,554	977,413
\$40,000 under \$50,000	8,560,180	382,362,994	7,834,772	316,072,231	7,346,309	18,416,554	434,967	2,562,618	2,647,159	5,232,212	2,996,145	1,118,141
\$50,000 under \$75,000	9,905,916	593,569,941	9,145,503	488,933,952	9,168,615	28,013,211	680,875	4,462,481	4,110,038	10,934,858	4,118,200	1,781,881
\$75,000 under \$100,000	3,053,791	260,645,078	2,735,081	195,908,902	2,931,167	15,963,960	431,004	3,804,821	1,720,689	7,357,696	1,289,786	824,159
\$100,000 under \$200,000	2,087,727	275,945,659	1,772,061	176,258,366	2,030,529	19,927,907	466,053	5,945,890	1,413,749	10,155,178	920,388	1,136,501
\$200,000 under \$500,000	611,980	178,874,534	498,002	94,694,952	607,420	14,768,652	216,540	5,577,387	485,309	9,418,838	258,363	805,823
\$500,000 under \$1,000,000	115,492	78,412,040	93,821	34,419,873	115,164	7,775,049	55,621	2,867,168	99,075	4,573,547	56,151	395,244
\$1,000,000 or more	57,510	151,209,142	47,368	37,034,566	57,412	16,443,227	33,725	4,582,701	52,237	10,971,045	31,217	764,127
Nontaxable returns, total	22,957,318	98,064,402	18,468,303	111,700,657	7,248,127	15,739,939	201,900	1,806,598	1,839,345	3,494,299	735,877	420,623

Footnote(s) at end of table



**Table 1.4—All Returns: Sources of Income, Adjustments, and Tax Items, by Size of Adjusted Gross Income—Continued**  
(All figures are estimates based on samples—money amounts are in thousands of dollars)

Size of adjusted gross income	Alimony received		Business or profession				Capital gain distributions reported on Form 1040		Sales of capital assets reported on Schedule D			
	Number of returns	Amount	Net income		Net loss		Number of returns	Amount	Net gain in AGI		Net loss in AGI	
			Number of returns	Amount	Number of returns	Amount			Number of returns	Amount	Number of returns	Amount
	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)	(21)	(22)	(23)	(24)
<b>All returns, total</b>	<b>462,025</b>	<b>3,598,148</b>	<b>11,017,545</b>	<b>152,416,377</b>	<b>3,143,151</b>	<b>19,678,697</b>	<b>2,211,919</b>	<b>1,624,593</b>	<b>8,510,593</b>	<b>151,889,032</b>	<b>4,337,150</b>	<b>7,882,795</b>
No adjusted gross income	1,854	12,608	102,416	1,241,800	346,461	6,576,556	11,073	5,018	130,354	6,905,458	126,306	293,296
\$1 under \$5,000	20,356	59,694	925,446	2,166,909	146,082	594,345	216,532	79,516	335,355	590,661	190,727	264,997
\$5,000 under \$10,000	60,600	243,960	1,203,896	6,268,701	202,478	856,180	145,803	94,571	476,239	1,100,006	297,228	546,390
\$10,000 under \$15,000	61,046	285,292	1,108,887	7,634,066	238,463	847,845	142,021	83,105	491,201	1,357,390	335,556	679,487
\$15,000 under \$20,000	71,299	385,006	1,039,431	8,374,878	251,327	881,419	175,130	135,905	577,621	2,037,424	268,292	470,997
\$20,000 under \$25,000	67,433	419,542	900,488	7,891,241	220,266	901,248	158,461	131,700	531,669	2,200,390	282,464	495,512
\$25,000 under \$30,000	44,159	400,043	797,621	7,329,814	221,810	938,209	191,626	150,618	485,159	1,950,686	260,197	455,522
\$30,000 under \$40,000	58,919	490,947	1,351,691	13,895,066	424,964	1,535,950	304,770	198,094	969,124	4,444,324	528,634	959,553
\$40,000 under \$50,000	34,785	582,123	1,056,138	12,944,244	327,521	1,061,218	201,351	201,351	954,265	5,311,567	436,291	752,210
\$50,000 under \$75,000	23,288	304,476	1,356,764	23,379,093	449,966	1,903,738	369,827	233,563	1,506,088	11,636,815	771,019	1,269,824
\$75,000 under \$100,000	11,559	218,470	515,639	14,875,816	145,372	869,989	133,028	128,056	791,289	9,598,686	372,259	703,035
\$100,000 under \$200,000	3,346	65,485	480,443	24,816,750	110,516	998,618	80,597	154,857	807,895	19,380,404	320,530	651,287
\$200,000 under \$500,000	2,950	118,801	142,564	13,395,994	43,196	657,205	19,171	24,630	334,958	22,879,678	116,071	260,876
\$500,000 under \$1,000,000	255	6,329	24,007	3,971,853	9,395	352,916	2,037	2,156	75,783	14,069,164	22,282	55,170
\$1,000,000 or more	175	5,373	12,110	4,230,154	5,334	703,249	498	1,555	43,593	48,426,377	9,293	24,640
<b>Taxable returns, total</b>	<b>392,072</b>	<b>3,341,233</b>	<b>8,697,096</b>	<b>139,649,639</b>	<b>2,370,115</b>	<b>10,744,230</b>	<b>2,062,686</b>	<b>1,556,820</b>	<b>7,812,355</b>	<b>142,958,250</b>	<b>3,787,848</b>	<b>6,773,497</b>
No adjusted gross income	3	361	1,579	78,496	2,158	133,127	*8	*3	4,008	1,605,688	1,625	4,805
\$1 under \$5,000	*1,358	*6,105	59,327	92,123	*9,509	*27,575	167,863	56,660	175,999	143,155	54,893	35,807
\$5,000 under \$10,000	36,933	180,308	511,454	2,616,882	80,584	309,654	91,490	70,323	281,793	523,897	154,241	272,331
\$10,000 under \$15,000	41,752	223,963	674,454	4,518,291	134,158	441,145	124,704	78,051	405,295	1,021,333	256,257	511,802
\$15,000 under \$20,000	67,371	365,298	885,775	6,966,165	216,770	587,450	165,151	131,555	515,912	1,602,369	248,826	427,192
\$20,000 under \$25,000	65,926	417,733	867,237	7,427,517	209,913	761,715	155,447	126,153	508,145	1,937,598	261,939	450,902
\$25,000 under \$30,000	44,159	400,043	780,877	7,120,203	214,822	678,323	188,357	150,090	469,034	1,763,608	250,569	438,979
\$30,000 under \$40,000	58,919	490,947	1,338,406	13,555,513	415,643	1,433,892	303,857	198,046	957,048	4,217,320	521,237	941,276
\$40,000 under \$50,000	**75,220	**1,244,773	1,053,027	12,813,433	325,702	999,570	260,655	201,259	947,380	5,027,346	433,435	745,336
\$50,000 under \$75,000	**	**	1,352,044	23,283,577	447,738	1,876,477	369,827	233,563	1,496,640	11,273,782	767,520	1,259,417
\$75,000 under \$100,000	**	**	514,984	14,820,501	145,348	863,260	133,028	128,056	790,283	9,499,951	369,999	696,254
\$100,000 under \$200,000	**	**	479,508	24,785,050	110,020	961,275	80,597	154,857	807,168	19,276,181	319,911	649,431
\$200,000 under \$500,000	**	**	142,358	13,376,559	43,073	644,283	19,167	24,495	334,443	22,733,996	115,871	260,303
\$500,000 under \$1,000,000	255	6,329	23,972	3,968,642	9,364	347,959	2,037	2,156	75,678	13,999,480	22,248	55,073
\$1,000,000 or more	175	5,373	12,094	4,226,685	5,313	678,526	498	1,555	43,529	48,332,547	9,275	24,589
<b>Nontaxable returns, total</b>	<b>69,953</b>	<b>256,915</b>	<b>2,320,449</b>	<b>12,766,738</b>	<b>773,036</b>	<b>8,934,467</b>	<b>149,233</b>	<b>67,874</b>	<b>698,238</b>	<b>8,930,782</b>	<b>549,302</b>	<b>1,109,298</b>

Footnote(s) at end of table

Table 1.4—All Returns: Sources of Income, Adjustments, and Tax Items, by Size of Adjusted Gross Income—Continued

(All figures are estimates based on samples—money amounts are in thousands of dollars)

Size of adjusted gross income	Sales of capital assets reported on Schedule D—Continued											
	Short-term capital gains			Short-term capital losses			Short-term loss carryover			Long-term capital gains		
	Number of returns (25)	Amount (26)	Number of returns (27)	Amount (28)	Number of returns (29)	Amount (30)	Number of returns (31)	Amount (32)	Number of returns (33)	Amount (34)	Number of returns (35)	Amount (36)
<b>All returns, total</b> .....	<b>2,886,750</b>	<b>19,727,590</b>	<b>2,613,695</b>	<b>27,216,937</b>	<b>518,961</b>	<b>13,243,645</b>	<b>9,462,955</b>	<b>159,376,788</b>	<b>5,292,614</b>	<b>52,091,834</b>	<b>1,351,482</b>	<b>25,841,442</b>
No adjusted gross income	44,262	672,692	66,255	2,364,738	26,877	1,472,992	169,929	9,671,744	131,649	6,674,799	62,119	4,486,152
\$1 under \$5,000	70,147	87,373	47,516	177,655	7,036	1,29,877	365,651	659,828	209,324	845,065	56,267	496,971
\$5,000 under \$10,000	115,306	181,292	125,028	787,889	27,092	383,148	521,444	1,183,173	312,644	1,694,685	70,398	837,968
\$10,000 under \$15,000	141,551	433,968	144,764	986,227	31,084	565,486	624,611	1,757,286	343,530	4,653,815	97,115	3,105,256
\$15,000 under \$20,000	120,219	331,233	106,025	512,621	22,866	266,207	624,181	2,154,059	294,653	2,073,951	64,248	1,070,233
\$20,000 under \$25,000	114,271	389,101	118,622	398,198	21,766	162,274	573,832	2,401,934	315,116	2,217,477	76,737	1,096,243
\$25,000 under \$30,000	146,853	309,782	129,812	1,731,841	••92,792	••2,346,463	543,529	2,309,635	281,003	1,288,232	73,244	599,659
\$30,000 under \$40,000	300,694	583,193	312,664	1,798,676	••	••	1,077,887	5,042,719	594,572	3,560,393	158,600	2,046,480
\$40,000 under \$50,000	308,816	943,518	251,286	1,749,600	43,635	746,204	1,045,650	5,611,470	536,290	3,439,591	125,357	1,729,448
\$50,000 under \$75,000	552,595	1,692,994	456,184	3,871,968	86,618	2,143,371	1,660,856	12,647,826	965,434	5,819,769	228,107	2,517,002
\$75,000 under \$100,000	343,647	1,423,167	294,864	2,167,767	55,059	1,132,246	884,545	10,219,616	505,444	4,296,640	131,261	1,888,694
\$100,000 under \$200,000	362,169	2,321,560	322,411	3,586,227	61,737	1,700,219	911,757	20,814,556	496,009	5,834,866	122,558	2,666,092
\$200,000 under \$500,000	185,663	3,083,260	167,967	2,921,420	29,688	1,047,149	385,184	23,753,783	220,242	4,119,693	63,041	1,530,523
\$500,000 under \$1,000,000	49,022	1,957,979	43,457	1,864,657	8,238	429,610	87,079	14,261,266	54,975	2,164,632	14,780	707,211
\$1,000,000 or more	31,553	5,316,577	26,839	2,297,454	4,469	718,401	48,819	46,887,891	31,729	3,408,227	7,650	1,063,509
<b>Taxable returns, total</b> .....	<b>2,702,299</b>	<b>18,455,121</b>	<b>2,392,148</b>	<b>22,648,538</b>	<b>455,445</b>	<b>10,186,966</b>	<b>8,657,228</b>	<b>147,104,730</b>	<b>4,703,712</b>	<b>38,631,118</b>	<b>1,153,935</b>	<b>17,048,527</b>
No adjusted gross income	1,963	105,499	2,237	244,364	1,385	52,288	5,551	1,769,243	2,398	216,349	370	84,563
\$1 under \$5,000	41,876	41,676	14,923	10,202	—	—	177,680	135,563	71,470	75,731	6,964	11,684
\$5,000 under \$10,000	77,077	116,045	66,903	405,616	14,773	166,551	303,405	526,695	154,518	731,755	33,496	382,283
\$10,000 under \$15,000	107,788	353,504	113,716	539,403	21,746	280,902	468,689	1,164,569	266,267	1,991,223	76,201	1,092,171
\$15,000 under \$20,000	110,388	267,317	92,391	425,010	20,595	188,004	557,059	1,678,911	268,054	1,626,624	60,546	764,836
\$20,000 under \$25,000	102,366	222,403	108,773	267,903	18,787	109,548	550,417	2,188,025	288,332	1,758,825	64,599	950,273
\$25,000 under \$30,000	140,530	282,758	127,081	1,725,965	••91,878	••2,343,297	525,551	2,140,190	269,736	1,252,552	69,622	579,017
\$30,000 under \$40,000	295,950	563,500	310,550	1,791,919	••	••	1,064,458	4,817,273	586,448	3,281,350	154,550	1,798,001
\$40,000 under \$50,000	306,718	868,702	250,792	1,699,441	43,474	740,931	1,040,600	5,345,626	533,059	3,286,892	123,496	1,584,307
\$50,000 under \$75,000	546,925	1,675,193	452,000	3,345,522	85,488	1,735,436	1,650,409	12,157,551	959,624	5,609,701	226,814	2,478,709
\$75,000 under \$100,000	343,203	1,404,147	293,258	2,038,123	53,905	1,026,318	882,408	10,063,904	502,247	3,687,456	129,900	1,545,995
\$100,000 under \$200,000	361,785	2,316,504	321,564	3,240,578	61,171	1,422,296	910,782	20,632,515	495,217	5,650,440	122,073	2,537,502
\$200,000 under \$500,000	185,308	3,047,353	167,607	2,855,801	29,576	1,022,364	384,530	23,552,690	219,787	4,019,118	62,904	1,501,828
\$500,000 under \$1,000,000	48,947	1,926,483	43,372	1,821,569	8,212	413,571	86,951	14,167,291	54,883	2,099,469	14,759	697,491
\$1,000,000 or more	31,478	5,264,037	26,789	2,237,123	4,455	685,439	48,738	46,764,686	31,674	3,343,633	7,640	1,039,867
<b>Nontaxable returns, total</b> .....	<b>184,450</b>	<b>1,272,469</b>	<b>221,547</b>	<b>4,568,398</b>	<b>63,515</b>	<b>3,056,680</b>	<b>805,726</b>	<b>12,272,057</b>	<b>588,901</b>	<b>13,460,716</b>	<b>197,547</b>	<b>8,792,915</b>

Footnotes(s) at end of table

**Table 1.4—All Returns: Sources of Income, Adjustments, and Tax Items, by Size of Adjusted Gross Income—Continued**  
 (All figures are estimates based on samples—money amounts are in thousands of dollars)

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Footnote(s) at end of table

Table 1.4—All Returns: Sources of Income, Adjustments, and Tax Items, by Size of Adjusted Gross Income—Continued

(All figures are estimates based on samples—money amounts are in thousands of dollars)

Size of adjusted gross income	Royalty				Farm rental				Total rent and royalty			
	Net income		Net loss		Net income		Net loss		Net income		Net loss in AGI	
	Number of returns (51)	Amount (52)	Number of returns (53)	Amount (54)	Number of returns (55)	Amount (56)	Number of returns (57)	Amount (58)	Number of returns (59)	Amount (60)	Number of returns (61)	Amount (62)
<b>All returns, total</b> .....	<b>1,104,224</b>	<b>4,047,260</b>	<b>61,368</b>	<b>99,096</b>	<b>506,314</b>	<b>2,691,159</b>	<b>104,998</b>	<b>325,245</b>	<b>4,873,566</b>	<b>30,143,479</b>	<b>5,257,521</b>	<b>29,215,820</b>
No adjusted gross income	26,522	119,411	316	3,563	8,841	48,075	1,660	11,304	81,009	805,624	163,822	2,722,646
\$1 under \$5,000	48,505	55,261	*2,865	*85	17,958	33,762	*3,557	*20,270	203,188	351,391	137,525	621,905
\$5,000 under \$10,000	76,278	78,273	*1,358	*3,831	64,601	174,778	14,549	56,815	442,553	1,094,485	237,832	1,004,861
\$10,000 under \$15,000	81,816	125,637	*8,894	*15,060	61,863	242,294	14,894	15,081	453,969	1,440,357	322,245	1,232,467
\$15,000 under \$20,000	79,891	134,291	*2,865	*7,430	62,217	279,397	*9,347	*36,346	466,557	1,371,044	336,285	1,445,350
\$20,000 under \$25,000	73,394	132,854	*913	*1	43,458	240,048	9,609	35,259	338,088	1,304,021	332,613	1,534,083
\$25,000 under \$30,000	62,929	140,240	*913	*292	36,358	150,229	*4,135	*16,381	304,203	1,072,970	425,036	1,953,509
\$30,000 under \$40,000	121,012	206,798	*7,123	*1,912	53,889	271,667	10,736	17,232	610,374	2,114,346	681,744	2,962,893
\$40,000 under \$50,000	96,034	163,124	*4,680	*8,893	40,984	262,610	*5,831	*27,609	486,619	2,202,497	618,215	2,862,133
\$50,000 under \$75,000	187,681	406,816	9,245	14,953	63,872	440,228	16,603	25,599	655,396	3,697,258	1,010,263	5,773,224
\$75,000 under \$100,000	96,617	354,644	*6,355	*7,662	22,900	207,608	7,062	38,163	329,766	2,751,698	434,741	2,770,901
\$100,000 under \$200,000	83,782	666,944	8,926	14,070	20,935	208,085	4,056	8,956	307,343	4,444,477	387,951	2,441,923
\$200,000 under \$500,000	50,409	651,300	5,089	13,573	6,702	97,476	2,048	8,694	141,653	3,952,924	128,944	1,074,838
\$500,000 under \$1,000,000	11,403	284,068	1,224	3,082	1,119	20,015	585	1,709	33,109	1,609,696	27,768	436,609
\$1,000,000 or more	7,951	527,598	600	4,690	617	14,886	325	3,826	19,739	1,930,691	12,537	378,477
<b>Taxable returns, total</b> .....	<b>968,944</b>	<b>3,760,493</b>	<b>54,583</b>	<b>92,508</b>	<b>431,854</b>	<b>2,448,084</b>	<b>91,963</b>	<b>253,481</b>	<b>4,212,057</b>	<b>27,745,564</b>	<b>4,625,055</b>	<b>23,907,641</b>
No adjusted gross income	185	11,026	21	258	*720	*2,063	**	**	1,251	97,234	3,851	236,439
\$1 under \$5,000	*6,028	*2,041							*10,549	*12,266	*1,515	*666
\$5,000 under \$10,000	29,114	24,917	*1,358	*3,831	29,502	76,445	*7,437	*19,456	214,605	502,775	96,660	304,381
\$10,000 under \$15,000	72,971	115,041	*6,028	*12,050	56,035	228,097	14,894	15,081	363,666	1,137,804	228,190	711,013
\$15,000 under \$20,000	75,957	130,304	*2,865	*7,430	57,302	248,743	*9,347	*36,346	426,848	1,175,914	294,945	1,124,431
\$20,000 under \$25,000	69,819	97,349	*913	*1	42,751	229,213	*8,907	*32,448	329,156	1,238,254	312,503	1,430,968
\$25,000 under \$30,000	62,929	140,240	*913	*292	35,373	143,698	*4,135	*16,381	294,447	1,004,168	408,183	1,809,840
\$30,000 under \$40,000	119,874	202,646	*7,123	*1,912	53,075	269,349	10,736	17,232	603,396	2,065,570	673,262	2,797,272
\$40,000 under \$50,000	96,008	162,771	*4,680	*8,893	40,984	262,610	*5,831	*27,609	485,831	2,189,481	612,295	2,817,808
\$50,000 under \$75,000	186,204	394,502	8,875	14,953	63,872	440,228	16,603	25,599	652,462	3,675,017	1,004,798	5,632,043
\$75,000 under \$100,000	96,593	354,643	*14,910	*21,713	22,879	207,485	7,062	38,163	328,455	2,740,761	433,212	2,750,159
\$100,000 under \$200,000	83,624	666,460	**	**	20,935	208,085	4,056	8,956	307,159	4,433,164	386,769	2,429,396
\$200,000 under \$500,000	50,311	647,443	5,075	13,536	6,694	97,175	2,045	8,681	141,448	3,941,025	128,640	1,058,608
\$500,000 under \$1,000,000	11,384	283,781	1,219	2,949	1,116	20,009	584	1,702	33,071	1,606,160	27,717	433,350
\$1,000,000 or more	7,943	527,328	600	4,690	617	14,886	325	3,826	19,714	1,925,972	12,515	371,266
<b>Nontaxable returns, total</b> .....	<b>135,280</b>	<b>286,766</b>	<b>6,785</b>	<b>6,589</b>	<b>74,460</b>	<b>243,075</b>	<b>13,034</b>	<b>71,764</b>	<b>661,509</b>	<b>2,397,915</b>	<b>632,466</b>	<b>5,308,179</b>

Footnote(s) at end of table

**Table 1.4—All Returns: Sources of Income, Adjustments, and Tax Items, by Size of Adjusted Gross Income—Continued**  
 (All figures are estimates based on samples—money amounts are in thousands of dollars)

Size of adjusted gross income	Partnership and S Corporation						Estate and trust						Farm					
	Net income			Net loss			Net income			Net loss			Net income			Net loss		
	Number of returns (63)	Amount (64)	Number of returns (65)	Amount (66)	Number of returns (67)	Amount (68)	Number of returns (69)	Amount (70)	Number of returns (71)	Amount (72)	Number of returns (73)	Amount (74)	Number of returns (75)	Amount (76)	Number of returns (77)	Amount (78)	Number of returns (79)	Amount (80)
<b>All returns, total</b>	<b>3,098,635</b>	<b>107,373,738</b>	<b>2,829,653</b>	<b>44,281,682</b>	<b>470,841</b>	<b>4,502,464</b>	<b>81,656</b>	<b>543,568</b>	<b>1,029,336</b>	<b>11,498,065</b>	<b>1,330,382</b>	<b>11,712,004</b>						
No adjusted gross income	43,964	635,140	168,056	17,667,584	10,217	84,256	2,687	147,812	32,949	497,131	96,786	2,702,290						
\$1 under \$5,000	104,052	192,980	74,991	391,751	26,498	73,726	6,370	*28,702	88,635	195,873	79,987	582,428						
\$5,000 under \$10,000	143,540	476,505	98,285	717,353	41,902	144,661	*7,311	*12,215	113,945	404,502	97,318	603,101						
\$10,000 under \$15,000	169,595	935,544	93,155	457,307	44,902	136,487	*6,942	*30,540	111,671	646,111	127,324	564,975						
\$15,000 under \$20,000	168,493	1,052,576	152,499	829,390	24,493	98,227	*4,706	*5,621	105,022	624,764	121,536	808,669						
\$20,000 under \$25,000	132,440	958,034	135,009	899,600	25,433	92,304	*5,113	*7,357	93,019	789,618	118,977	681,357						
\$25,000 under \$30,000	163,458	1,178,874	139,238	658,200	30,831	146,384	*2,916	*4,573	89,453	775,084	115,282	646,444						
\$30,000 under \$40,000	284,172	2,841,712	289,056	1,364,832	49,830	228,082	*4,361	*25,728	127,414	1,491,228	177,895	1,018,127						
\$40,000 under \$50,000	319,736	2,884,840	256,963	1,365,312	25,342	48,882	*9,547	*10,362	105,341	1,549,347	135,070	799,011						
\$50,000 under \$75,000	504,572	7,045,890	498,374	2,528,435	60,291	257,066	9,494	95,317	97,840	1,755,708	137,986	831,761						
\$75,000 under \$100,000	314,939	6,417,329	302,498	1,898,033	*91,300	*977,136	*2,346	*9,461	26,912	882,180	49,584	474,743						
\$100,000 under \$200,000	414,994	17,088,906	384,879	3,872,164	..	..	9,286	61,419	25,605	1,134,484	44,688	770,492						
\$200,000 under \$500,000	221,423	21,160,519	179,032	4,451,747	26,859	609,130	7,137	38,426	8,804	400,423	20,439	596,972						
\$500,000 under \$1,000,000	52,125	12,448,151	38,635	2,458,479	7,100	452,401	2,179	27,021	1,714	186,031	4,575	246,605						
\$1,000,000 or more	30,821	32,056,739	18,953	4,721,494	4,609	1,153,723	1,262	39,016	1,110	165,580	2,936	385,040						
<b>Taxable returns, total</b>	<b>2,638,724</b>	<b>105,808,325</b>	<b>2,448,782</b>	<b>24,458,481</b>	<b>432,038</b>	<b>4,308,245</b>	<b>70,114</b>	<b>358,570</b>	<b>778,730</b>	<b>9,897,360</b>	<b>1,013,726</b>	<b>7,499,492</b>						
No adjusted gross income	325	109,372	2,834	1,454,279	101	7,239	78	8,062	74	24,470	918	74,246						
\$1 under \$5,000	30,001	19,150	*11,485	*8,468	17,513	24,459	*2,443	*344	13,042	17,912	*3,557	*3,870						
\$5,000 under \$10,000	77,484	274,059	44,764	119,051	30,756	104,140	*6,028	*1,683	46,273	157,925	23,979	136,371						
\$10,000 under \$15,000	127,973	623,533	60,186	101,060	42,481	116,413	*6,942	*30,540	74,422	398,237	84,345	330,691						
\$15,000 under \$20,000	148,298	954,639	136,242	505,626	23,791	97,942	*2,215	*460	90,203	507,130	102,731	721,827						
\$20,000 under \$25,000	126,932	934,548	122,793	546,008	25,433	92,304	*3,927	*7,034	83,863	690,267	113,857	601,074						
\$25,000 under \$30,000	157,423	1,158,959	127,758	537,352	29,324	143,515	*2,916	*4,573	81,906	656,849	113,800	615,361						
\$30,000 under \$40,000	313,846	2,764,897	281,690	1,128,325	48,100	227,297	*4,361	*25,728	122,435	1,371,391	175,711	993,321						
\$40,000 under \$50,000	319,730	2,883,479	247,842	1,090,513	25,342	48,882	*9,547	*10,362	104,639	1,549,140	135,010	785,719						
\$50,000 under \$75,000	504,141	7,042,719	493,211	2,248,163	59,553	256,911	9,494	95,317	97,840	1,755,708	137,933	824,582						
\$75,000 under \$100,000	313,808	6,330,772	300,384	1,695,003	*91,138	*975,358	*2,346	*9,461	26,912	882,180	49,510	455,085						
\$100,000 under \$200,000	414,552	17,082,138	383,660	3,726,053	..	..	9,265	61,302	25,605	1,134,484	44,503	749,177						
\$200,000 under \$500,000	221,301	21,150,169	178,520	4,276,455	26,908	608,283	7,120	38,133	8,794	400,058	20,382	589,300						
\$500,000 under \$1,000,000	52,107	12,444,229	38,523	2,391,184	*11,698	*1,605,506	2,174	26,592	1,711	186,027	4,561	242,859						
\$1,000,000 or more	30,804	32,035,663	18,989	4,630,921	..	..	1,259	38,980	1,110	165,580	2,929	376,010						
<b>Nontaxable returns, total</b>	<b>259,912</b>	<b>1,565,414</b>	<b>380,871</b>	<b>19,823,201</b>	<b>38,802</b>	<b>194,219</b>	<b>11,542</b>	<b>184,998</b>	<b>250,606</b>	<b>1,600,706</b>	<b>316,656</b>	<b>4,212,512</b>						

Footnotes at end of table

Table 1.4—All Returns: Sources of Income, Adjustments, and Tax Items, by Size of Adjusted Gross Income—Continued

(All figures are estimates based on samples—money amounts are in thousands of dollars)

Size of adjusted gross income	Unemployment compensation			Social Security benefits			Foreign earned income exclusion		Other income			
	Number of returns (75)	Amount (76)	Total		Benefits in AGI		Number of returns (81)	Amount (82)	Net income		Net loss	
			Number of returns (77)	Amount (78)	Number of returns (79)	Amount (80)			Number of returns (83)	Amount (84)	Number of returns (85)	Amount (86)
<b>All returns, total</b>	<b>7,175,322</b>	<b>12,095,062</b>	<b>10,417,916</b>	<b>91,757,049</b>	<b>4,675,100</b>	<b>17,347,058</b>	<b>194,017</b>	<b>7,303,049</b>	<b>6,179,323</b>	<b>23,332,083</b>	<b>184,742</b>	<b>4,648,933</b>
No adjusted gross income	20,702	50,554	88,750	706,701	2,922	13,095	27,201	832,110	54,209	507,455	32,258	3,333,467
\$1 under \$5,000	335,904	350,433	680,534	4,939,258	*4,200	*10,236	63,129	1,742,442	466,718	602,204	*6,156	*34,905
\$5,000 under \$10,000	1,036,853	1,468,230	1,603,504	12,977,037	20,395	65,282	12,903	507,398	505,382	1,036,318	13,365	92,726
\$10,000 under \$15,000	1,175,401	2,058,505	1,592,824	14,098,733	16,280	55,268	7,799	132,581	569,892	1,170,858	*6,855	*67,919
\$15,000 under \$20,000	879,310	1,467,036	1,091,237	9,511,849	33,611	34,791	16,850	498,535	459,323	926,548	15,850	101,441
\$20,000 under \$25,000	725,046	1,346,276	847,644	7,402,923	274,731	297,438	7,478	353,358	437,534	846,681	*10,714	*72,278
\$25,000 under \$30,000	599,660	1,138,174	733,886	6,584,384	556,404	889,300	5,112	212,686	404,302	701,563	14,167	109,095
\$30,000 under \$40,000	1,064,678	1,780,894	1,219,316	10,172,646	1,206,336	3,471,590	9,476	351,190	729,033	1,332,342	*26,768	*191,794
\$40,000 under \$50,000	649,521	1,164,081	939,033	8,454,327	939,033	4,062,674	5,486	275,620	720,221	1,660,853	**	**
\$50,000 under \$75,000	544,471	980,025	881,267	8,733,107	881,267	4,359,507	14,638	682,951	941,333	2,336,595	*43,686	*252,369
\$75,000 under \$100,000	99,765	179,171	354,920	3,555,252	354,920	1,777,550	8,561	547,705	372,933	1,536,381	**	**
\$100,000 under \$200,000	36,649	86,013	271,191	3,135,772	271,191	1,567,823	10,059	733,401	336,529	3,115,989	7,271	97,871
\$200,000 under \$500,000	6,805	23,923	85,316	1,075,590	85,316	537,775	4,328	335,728	132,415	2,734,643	5,649	140,608
\$500,000 under \$1,000,000	369	1,096	18,668	264,114	18,668	132,052	712	72,941	31,165	1,327,284	1,139	52,096
\$1,000,000 or more	188	649	9,826	145,357	9,826	72,676	284	24,403	18,334	3,496,370	865	102,365
<b>Taxable returns, total</b>	<b>5,761,400</b>	<b>9,951,196</b>	<b>8,614,241</b>	<b>76,440,844</b>	<b>4,618,366</b>	<b>17,140,915</b>	<b>86,658</b>	<b>3,940,123</b>	<b>5,432,239</b>	<b>21,177,025</b>	<b>126,961</b>	<b>1,333,660</b>
No adjusted gross income	*145	*713	2,135	22,273	*1,186	*4,825	**	**	2,640	58,890	325	317,218
\$1 under \$5,000	*6,028	*7,549	34,514	185,042	—	—	—	—	193,939	220,213	—	—
\$5,000 under \$10,000	514,056	750,650	807,606	5,666,197	*11,759	*32,897	*5,490	*126,590	283,768	579,990	*6,979	*40,462
\$10,000 under \$15,000	738,234	1,257,345	1,406,457	12,305,613	16,280	55,268	*4,602	*80,424	446,822	835,966	*2,927	*49,408
\$15,000 under \$20,000	803,603	1,329,471	1,056,579	9,246,530	30,597	31,646	12,151	272,895	422,774	873,084	14,419	89,401
\$20,000 under \$25,000	706,334	1,279,587	827,617	7,273,266	266,979	286,702	*6,621	*299,655	420,681	722,723	*8,077	*44,703
\$25,000 under \$30,000	591,474	1,110,344	725,165	6,523,818	550,375	879,771	*4,907	*188,088	394,205	635,893	11,313	35,542
\$30,000 under \$40,000	**2,394,440	**4,189,904	1,207,688	10,029,758	1,194,708	3,425,059	9,271	334,343	724,360	1,309,223	*25,989	*168,588
\$40,000 under \$50,000	**	**	933,171	8,383,771	933,171	4,029,673	5,349	263,108	716,432	1,649,307	**	**
\$50,000 under \$75,000	**	**	874,833	8,651,853	874,833	4,318,880	14,360	663,644	938,867	2,335,362	*42,184	*212,475
\$75,000 under \$100,000	**	**	353,719	3,534,948	353,719	1,767,398	8,561	547,705	370,389	1,439,703	**	**
\$100,000 under \$200,000	**	**	271,114	3,134,719	271,114	1,567,296	10,059	733,401	336,529	3,115,989	7,128	87,629
\$200,000 under \$500,000	**7,168	**24,988	85,185	1,074,026	85,185	536,993	4,298	333,537	132,770	2,718,651	5,622	137,216
\$500,000 under \$1,000,000	**	**	18,644	263,818	18,644	131,904	709	72,667	31,108	1,320,567	*1,997	*151,017
\$1,000,000 or more	188	649	9,815	145,212	9,815	72,604	280	24,065	18,295	3,480,123	**	**
<b>Nontaxable returns, total</b>	<b>1,413,922</b>	<b>2,143,866</b>	<b>1,803,675</b>	<b>15,316,205</b>	<b>56,734</b>	<b>206,144</b>	<b>107,359</b>	<b>3,362,926</b>	<b>747,084</b>	<b>2,155,058</b>	<b>57,781</b>	<b>3,315,273</b>

Footnote(s) at end of table

**Table 1.4—All Returns: Sources of Income, Adjustments, and Tax Items, by Size of Adjusted Gross Income—Continued**  
(All figures are estimates based on samples—money amounts are in thousands of dollars)

Size of adjusted gross income	Statutory adjustments																	
	Total			Primary IRA payments			Secondary IRA payments			Payments to a Keogh plan			Forfeited interest penalty			Alimony paid		
	Number of returns (87)	Amount (88)		Number of returns (89)	Amount (90)		Number of returns (91)	Amount (92)		Number of returns (93)	Amount (94)		Number of returns (95)	Amount (96)		Number of returns (97)	Amount (98)	
<b>All returns, total</b> .....	<b>9,926,729</b>	<b>24,572,969</b>		<b>5,280,531</b>	<b>7,806,631</b>		<b>2,372,984</b>	<b>3,022,063</b>		<b>822,353</b>	<b>6,326,156</b>		<b>1,056,067</b>	<b>312,689</b>		<b>600,571</b>	<b>4,514,401</b>	
No adjusted gross income	80,701	204,491		17,103	26,744		6,136	6,340		625	4,913		18,339	12,635		108,717		
\$1 under \$5,000	207,852	245,306		67,402	99,762		*6,471	*10,868		*3,020	*1,047		57,687	13,561		*11,850	*83,349	
\$5,000 under \$10,000	560,339	627,872		215,505	307,677		32,223	32,336		*12,202	*9,344		125,474	34,960		17,563	70,601	
\$10,000 under \$15,000	759,301	969,130		377,716	538,729		80,026	108,619		14,796	23,856		139,556	34,847		*64,306	*284,163	
\$15,000 under \$20,000	887,880	1,314,353		490,418	743,255		129,850	163,635		22,057	39,782		96,730	28,458		**	**	
\$20,000 under \$25,000	951,675	1,581,440		610,161	916,609		148,378	205,809		23,470	63,833		80,029	17,336		40,192	188,163	
\$25,000 under \$30,000	997,717	1,750,849		650,509	947,288		235,441	328,410		34,199	76,386		84,615	16,438		52,888	255,401	
\$30,000 under \$40,000	1,740,188	3,297,739		1,110,126	1,603,367		535,195	655,697		67,781	214,477		141,198	62,209		84,143	422,542	
\$40,000 under \$50,000	1,338,144	2,343,497		852,430	1,002,374		519,064	523,334		75,211	230,585		101,893	19,951		60,349	273,240	
\$50,000 under \$75,000	1,063,741	3,155,075		430,296	746,686		298,564	413,097		176,449	816,168		122,172	29,730		97,700	664,068	
\$75,000 under \$100,000	536,568	2,142,967		211,218	392,537		175,502	256,029		114,781	737,101		53,743	28,800		74,607	572,911	
\$100,000 under \$200,000	532,374	3,755,627		177,944	347,570		148,700	227,868		183,828	2,199,763		24,850	5,462		52,295	688,760	
\$200,000 under \$500,000	193,480	2,291,706		55,857	106,884		46,869	74,254		75,396	1,484,199		7,205	5,723		23,995	526,110	
\$500,000 under \$1,000,000	37,874	576,480		9,178	17,894		7,035	10,357		13,179	298,365		1,702	1,376		6,469	215,874	
\$1,000,000 or more	18,897	316,436		4,666	9,253		3,529	5,409		5,359	126,336		875	1,203		3,594	160,501	
<b>Taxable returns, total</b> .....	<b>9,131,199</b>	<b>23,576,332</b>		<b>5,062,649</b>	<b>7,503,886</b>		<b>2,291,266</b>	<b>2,932,812</b>		<b>804,789</b>	<b>6,300,318</b>		<b>894,840</b>	<b>271,391</b>		<b>565,776</b>	<b>4,249,792</b>	
No adjusted gross income	334	3,989		74	140		76	94		55	601		19	46		83	2,988	
\$1 under \$5,000	41,313	25,681		*17,193	*22,057		—	—		*8	*54		24,113	3,570		—	—	
\$5,000 under \$10,000	332,095	441,715		160,874	237,651		*3,630	*6,072		*5,434	*4,092		62,702	22,351		16,132	63,576	
\$10,000 under \$15,000	567,530	755,792		321,270	470,432		53,236	79,748		*12,523	*20,995		108,549	30,935		**55,640	*236,959	
\$15,000 under \$20,000	816,860	1,238,039		474,000	718,138		126,423	158,528		20,698	38,423		89,081	27,295		**	**	
\$20,000 under \$25,000	923,520	1,534,949		597,329	900,670		143,082	197,468		21,050	57,020		75,188	16,815		38,685	179,443	
\$25,000 under \$30,000	987,892	1,733,150		645,974	938,217		231,889	327,522		33,809	75,845		84,615	16,438		52,817	252,971	
\$30,000 under \$40,000	1,724,355	3,276,688		1,105,041	1,594,556		534,276	654,202		67,075	212,805		139,317	62,165		84,020	419,906	
\$40,000 under \$50,000	1,338,072	2,343,425		852,362	1,002,313		519,064	523,334		75,211	230,585		101,893	19,951		60,349	273,240	
\$50,000 under \$75,000	1,081,788	3,150,647		429,851	745,918		298,118	412,206		176,442	816,166		121,042	29,678		97,331	661,630	
\$75,000 under \$100,000	535,278	2,139,878		211,194	392,510		175,478	256,002		114,781	737,101		53,719	28,409		74,471	571,032	
\$100,000 under \$200,000	532,144	3,751,632		177,841	347,362		148,600	227,669		183,804	2,198,496		24,847	5,462		52,267	688,349	
\$200,000 under \$500,000	193,302	2,289,332		55,812	106,796		46,834	74,203		75,367	1,483,617		7,189	5,714		23,942	524,986	
\$500,000 under \$1,000,000	37,838	575,899		**13,833	**27,125		7,031	10,354		**18,532	**424,518		1,695	1,371		6,456	215,428	
\$1,000,000 or more	18,877	315,515		**	**		3,529	5,409		**	**		871	1,192		3,584	159,682	
<b>Nontaxable returns, total</b> .....	<b>795,531</b>	<b>996,636</b>		<b>217,882</b>	<b>302,745</b>		<b>81,718</b>	<b>89,251</b>		<b>17,564</b>	<b>25,838</b>		<b>161,227</b>	<b>41,298</b>		<b>34,795</b>	<b>264,609</b>	

Footnote(s) at end of table

**Table 1.4—All Returns: Sources of Income, Adjustments, and Tax Items, by Size of Adjusted Gross Income—Continued**  
(All figures are estimates based on samples—money amounts are in thousands of dollars)

Size of adjusted gross income	Statutory adjustments—Continued				Basic standard deduction			Additional standard deduction	
	Self-employed health insurance		Other adjustments		Number of returns	Amount	Number of returns	Amount	Number of returns
	Number of returns	Amount	Number of returns	Amount					
	(89)	(100)	(101)	(102)	(103)	(104)	(105)	(106)	(108)
<b>All returns, total</b> .....	<b>2,364,511</b>	<b>1,267,834</b>	<b>377,507</b>	<b>1,269,060</b>	<b>79,338,895</b>	<b>299,978,991</b>	<b>10,551,521</b>	<b>9,452,043</b>	
No adjusted gross income	36,634	20,386	2,263	24,757	—	—	—	—	—
\$1 under \$5,000	76,510	29,335	*1,507	*7,385	16,605,071	44,043,668	831,842	700,281	
\$5,000 under \$10,000	181,514	75,685	24,702	79,733	14,377,399	52,544,977	2,466,136	2,099,499	
\$10,000 under \$15,000	213,082	92,650	21,736	45,234	13,234,618	51,508,955	2,389,637	2,173,601	
\$15,000 under \$20,000	240,613	104,704	28,847	71,069	10,231,010	40,701,266	1,551,545	1,407,635	
\$20,000 under \$25,000	210,442	100,534	28,083	81,903	7,364,294	30,665,317	964,304	886,915	
\$25,000 under \$30,000	193,735	91,126	14,498	35,799	5,294,074	22,885,831	592,832	549,489	
\$30,000 under \$40,000	299,884	161,379	67,131	175,959	6,736,245	30,744,834	721,658	644,425	
\$40,000 under \$50,000	212,685	123,626	56,966	163,712	3,165,828	15,338,001	521,675	490,652	
\$50,000 under \$75,000	298,565	167,333	73,239	316,133	1,942,413	9,643,004	377,167	368,315	
\$75,000 under \$100,000	137,614	88,940	19,644	66,264	256,421	1,273,667	83,048	79,782	
\$100,000 under \$200,000	168,320	127,288	31,292	154,092	114,377	548,434	45,565	45,526	
\$200,000 under \$500,000	71,966	60,137	6,283	29,376	14,709	69,967	5,245	5,009	
\$500,000 under \$1,000,000	14,943	16,663	1,036	13,814	1,856	8,512	713	759	
\$1,000,000 or more	8,004	8,047	279	3,830	581	2,560	154	154	
<b>Taxable returns, total</b> .....	<b>1,997,233</b>	<b>1,081,783</b>	<b>349,839</b>	<b>1,194,606</b>	<b>58,743,623</b>	<b>223,076,076</b>	<b>8,367,139</b>	<b>7,449,204</b>	
No adjusted gross income	131	119	..	..	—	—	—	—	
\$1 under \$5,000	—	—	—	—	4,976,100	9,537,849	*12,364	*9,951	
\$5,000 under \$10,000	90,870	31,523	**18,562	**66,783	9,114,252	28,150,078	1,270,034	960,665	
\$10,000 under \$15,000	123,502	42,439	*11,313	*33,236	10,010,751	35,912,712	2,229,938	2,008,087	
\$15,000 under \$20,000	196,503	79,760	23,048	56,944	9,804,324	38,560,275	1,544,264	1,401,660	
\$20,000 under \$25,000	202,232	95,733	26,576	80,547	7,334,616	30,513,929	963,671	886,155	
\$25,000 under \$30,000	186,095	86,358	14,498	35,799	5,285,324	22,842,822	591,647	548,066	
\$30,000 under \$40,000	287,440	154,987	67,131	175,959	6,723,259	30,680,410	721,658	644,425	
\$40,000 under \$50,000	212,681	123,615	56,966	163,712	3,164,824	15,332,779	521,675	490,652	
\$50,000 under \$75,000	298,194	167,056	73,239	316,133	1,942,344	9,642,648	377,167	368,315	
\$75,000 under \$100,000	136,484	88,175	19,644	66,264	256,421	1,273,667	83,048	79,782	
\$100,000 under \$200,000	168,247	127,226	31,268	152,243	114,305	548,058	45,565	45,526	
\$200,000 under \$500,000	71,917	60,094	6,277	29,342	14,677	69,828	**6,108	**5,918	
\$500,000 under \$1,000,000	14,936	16,655	1,036	13,814	1,853	8,499	..	..	
\$1,000,000 or more	8,000	8,044	279	3,830	572	2,521	..	..	
<b>Nontaxable returns, total</b> .....	<b>367,279</b>	<b>186,051</b>	<b>27,669</b>	<b>74,454</b>	<b>20,595,273</b>	<b>76,902,916</b>	<b>2,184,382</b>	<b>2,002,839</b>	

Footnotes) at end of table



**Table 1.4—All Returns: Sources of Income, Adjustments, and Tax Items, by Size of Adjusted Gross Income—Continued**  
(All figures are estimates based on samples—money amounts are in thousands of dollars)

Size of adjusted gross income	Total itemized deductions		Exemptions		Taxable income		Income tax before credits	
	Number of returns (107)	Amount (108)	Number of exemptions (109)	Amount (110)	Number of returns (111)	Amount (112)	Number of returns (113)	Amount (114)
<b>All returns, total</b> .....	<b>31,972,317</b>	<b>430,977,999</b>	<b>223,756,252</b>	<b>447,129,806</b>	<b>92,313,789</b>	<b>2,173,345,881</b>	<b>92,246,065</b>	<b>438,240,138</b>
No adjusted gross income	—	—	1,626,408	3,236,341	—	—	1,252	35,825
\$1 under \$5,000	162,917	1,486,812	12,942,904	25,841,291	5,073,979	3,435,344	4,994,831	561,444
\$5,000 under \$10,000	629,378	5,544,711	22,184,737	44,304,137	9,855,065	24,079,405	9,860,661	3,680,667
\$10,000 under \$15,000	1,068,327	8,915,497	25,475,201	50,907,910	12,693,453	68,611,583	12,698,591	10,332,167
\$15,000 under \$20,000	1,507,281	12,176,552	22,310,767	44,573,921	11,453,173	107,022,965	11,451,665	16,118,793
\$20,000 under \$25,000	1,968,007	16,118,559	19,741,306	39,450,084	9,215,631	122,363,183	9,215,632	18,532,722
\$25,000 under \$30,000	2,321,050	19,669,661	17,294,925	34,563,796	7,560,711	131,904,440	7,560,711	20,974,801
\$30,000 under \$40,000	5,364,124	49,201,323	30,885,354	61,732,973	12,062,779	278,320,160	2,062,779	46,134,902
\$40,000 under \$50,000	5,424,444	56,658,247	24,256,573	48,483,166	8,566,122	263,107,712	8,567,035	44,425,118
\$50,000 under \$75,000	7,978,928	101,063,378	29,544,223	59,066,080	9,906,175	424,581,970	9,906,176	81,825,268
\$75,000 under \$100,000	2,802,965	48,788,332	8,987,099	17,966,464	3,055,245	193,047,596	3,055,245	42,981,596
\$100,000 under \$200,000	1,975,980	51,329,803	6,190,397	12,373,173	2,086,857	212,184,703	2,086,857	54,763,302
\$200,000 under \$500,000	598,105	29,131,280	1,828,941	3,656,078	611,729	146,390,252	611,729	41,921,913
\$500,000 under \$1,000,000	113,790	11,031,212	330,337	660,377	115,395	66,881,786	115,396	19,001,524
\$1,000,000 or more	57,021	19,862,631	157,082	314,014	57,475	131,414,782	57,476	36,950,094
<b>Taxable returns, total</b> .....	<b>30,427,264</b>	<b>406,692,432</b>	<b>179,337,335</b>	<b>358,432,996</b>	<b>89,127,496</b>	<b>2,166,089,001</b>	<b>89,165,958</b>	<b>437,136,845</b>
No adjusted gross income	—	—	12,177	24,303	—	—	1,173	35,696
\$1 under \$5,000	13,275	40,176	49,353	97,590	4,975,952	3,428,115	4,990,881	560,324
\$5,000 under \$10,000	210,662	932,534	8,074,221	16,130,083	9,309,194	23,504,135	9,323,820	3,595,253
\$10,000 under \$15,000	632,279	3,780,473	13,794,309	27,563,156	10,635,270	64,034,160	10,642,063	9,646,231
\$15,000 under \$20,000	1,254,433	8,409,615	19,479,516	38,920,424	11,058,593	105,982,666	11,058,593	15,963,275
\$20,000 under \$25,000	1,839,166	13,816,274	19,081,093	38,134,984	9,173,777	122,122,458	9,173,777	18,496,588
\$25,000 under \$30,000	2,256,594	18,110,351	17,010,780	33,996,545	7,541,203	131,703,925	7,541,205	20,944,712
\$30,000 under \$40,000	5,323,256	47,699,143	30,695,603	61,353,847	12,046,484	278,017,605	12,046,484	46,088,122
\$40,000 under \$50,000	5,395,357	55,295,640	24,166,381	48,304,127	8,558,577	262,963,947	8,559,490	44,402,723
\$50,000 under \$75,000	7,963,571	100,095,906	29,511,404	59,000,450	9,903,864	424,526,687	9,903,865	81,816,077
\$75,000 under \$100,000	2,797,370	48,340,915	8,968,186	17,928,638	3,053,693	193,038,040	3,053,693	42,980,161
\$100,000 under \$200,000	1,973,422	50,883,664	6,181,056	12,354,563	2,086,443	212,155,734	2,086,443	54,755,867
\$200,000 under \$500,000	597,303	28,812,336	1,826,528	3,651,266	611,612	146,369,170	611,637	41,915,898
\$500,000 under \$1,000,000	113,639	10,895,154	329,907	659,520	115,378	66,874,734	115,378	18,999,533
\$1,000,000 or more	56,937	19,590,250	156,824	313,500	57,458	131,367,623	57,459	36,936,384
<b>Non-taxable returns, total</b> .....	<b>1,545,054</b>	<b>24,285,567</b>	<b>44,418,917</b>	<b>88,696,810</b>	<b>3,186,293</b>	<b>7,256,880</b>	<b>3,080,107</b>	<b>1,103,293</b>

\* Estimate should be used with caution because of the small number of sample returns on which it is based.

\*\* Data combined to avoid disclosure of information for specific taxpayers.

NOTE: Detail may not add to totals because of rounding.

**Table 1.5—Form 1040EZ Returns: Sources of Income and Tax Items, by Size of Adjusted Gross Income**

(All figures are estimates based on samples—money amounts are in thousands of dollars)

Size of adjusted gross income	Number of returns	Adjusted gross income	Salaries and wages		Taxable interest		Standard deduction		Exemptions	
			Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of exemptions	Amount
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
<b>All returns, total</b> .....	<b>20,094,154</b>	<b>195,421,902</b>	<b>20,023,376</b>	<b>194,881,261</b>	<b>6,490,502</b>	<b>540,641</b>	<b>20,094,154</b>	<b>56,495,975</b>	<b>14,109,892</b>	<b>28,208,062</b>
Under \$5,000	7,810,278	18,655,995	7,739,500	18,488,139	2,160,898	167,856	7,810,278	18,437,620	2,829,263	5,652,458
\$5,000 under \$10,000	4,214,977	30,456,752	4,214,977	30,366,307	1,188,749	90,444	4,214,977	13,055,409	3,354,131	6,705,481
\$10,000 under \$15,000	3,268,393	40,327,509	3,268,393	40,245,080	1,039,414	82,429	3,268,393	10,127,669	3,149,537	6,297,810
\$15,000 under \$20,000	2,237,061	38,913,234	2,237,061	38,844,297	817,259	68,937	2,237,061	6,931,553	2,223,628	4,446,498
\$20,000 under \$25,000	1,297,884	28,833,206	1,297,884	28,767,131	621,079	66,075	1,297,884	4,022,934	1,287,773	2,575,292
\$25,000 under \$30,000	762,960	20,753,492	762,960	20,725,444	362,805	28,048	762,960	2,364,671	762,960	1,525,668
\$30,000 under \$40,000	431,786	14,414,730	431,786	14,385,331	252,811	29,399	431,786	1,336,595	431,786	863,226
\$40,000 or more	70,814	3,066,984	70,814	3,059,532	47,487	7,453	70,814	219,524	70,814	141,629
<b>Taxable returns, total</b> .....	<b>14,469,468</b>	<b>183,136,058</b>	<b>14,469,468</b>	<b>182,642,448</b>	<b>5,895,982</b>	<b>493,610</b>	<b>14,469,468</b>	<b>43,506,877</b>	<b>11,174,024</b>	<b>22,342,392</b>
Under \$5,000	2,292,198	6,909,034	2,292,198	6,786,733	1,591,657	122,301	2,292,198	5,778,999	—	—
\$5,000 under \$10,000	4,108,372	29,917,868	4,108,372	29,828,900	1,163,471	88,968	4,108,372	12,724,931	3,247,525	6,492,269
\$10,000 under \$15,000	3,268,393	40,327,509	3,268,393	40,245,080	1,039,414	82,429	3,268,393	10,127,669	3,149,537	6,297,810
\$15,000 under \$20,000	2,237,061	38,913,234	2,237,061	38,844,297	817,259	68,937	2,237,061	6,931,553	2,223,628	4,446,498
\$20,000 under \$25,000	1,297,884	28,833,206	1,297,884	28,767,131	621,079	66,075	1,297,884	4,022,934	1,287,773	2,575,292
\$25,000 under \$30,000	762,960	20,753,492	762,960	20,725,444	362,805	28,048	762,960	2,364,671	762,960	1,525,668
\$30,000 under \$40,000	431,786	14,414,730	431,786	14,385,331	252,811	29,399	431,786	1,336,595	431,786	863,226
\$40,000 or more	70,814	3,066,984	70,814	3,059,532	47,487	7,453	70,814	219,524	70,814	141,629
<b>Nontaxable returns, total</b> .....	<b>5,624,686</b>	<b>12,285,844</b>	<b>5,553,908</b>	<b>12,238,813</b>	<b>594,519</b>	<b>47,031</b>	<b>5,624,686</b>	<b>12,989,099</b>	<b>2,935,868</b>	<b>5,865,670</b>

Size of adjusted gross income	Taxable income		Total tax liability		Income tax withheld		Overpayment refunded		Tax due at time of filing	
	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)
<b>All returns, total</b> .....	<b>14,546,809</b>	<b>117,286,998</b>	<b>14,469,468</b>	<b>18,695,870</b>	<b>19,586,876</b>	<b>24,767,797</b>	<b>18,319,177</b>	<b>6,399,819</b>	<b>1,428,662</b>	<b>327,892</b>
Under \$5,000	2,368,032	1,130,243	2,292,198	170,191	7,391,830	1,545,435	7,303,146	1,385,269	198,741	10,025
\$5,000 under \$10,000	4,109,879	10,700,669	4,108,372	1,604,403	4,141,314	3,108,261	3,883,640	1,559,979	316,171	56,121
\$10,000 under \$15,000	3,268,393	23,902,029	3,268,393	3,584,996	3,258,281	4,745,127	2,980,676	1,222,781	282,661	62,650
\$15,000 under \$20,000	2,237,061	27,535,183	2,237,061	4,130,070	2,232,006	4,946,365	2,002,493	865,224	229,512	48,928
\$20,000 under \$25,000	1,297,884	22,234,979	1,297,884	3,355,658	1,297,884	4,048,375	1,172,514	724,325	115,259	31,608
\$25,000 under \$30,000	762,960	16,863,154	762,960	2,882,931	762,960	3,235,357	612,604	395,762	150,356	43,336
\$30,000 under \$40,000	431,786	12,214,910	431,786	2,380,425	431,786	2,544,950	324,244	222,836	105,007	58,311
\$40,000 or more	70,814	2,705,831	70,814	587,197	70,814	593,928	39,860	23,643	30,954	16,912
<b>Taxable returns, total</b> .....	<b>14,469,468</b>	<b>117,286,789</b>	<b>14,469,468</b>	<b>18,695,870</b>	<b>14,260,470</b>	<b>23,749,393</b>	<b>12,992,771</b>	<b>5,381,415</b>	<b>1,428,662</b>	<b>327,892</b>
Under \$5,000	2,292,198	1,130,036	2,292,198	170,191	2,172,029	574,592	2,083,345	414,426	198,741	10,025
\$5,000 under \$10,000	4,108,372	10,700,667	4,108,372	1,604,403	4,034,709	3,060,699	3,777,034	1,512,418	316,171	56,121
\$10,000 under \$15,000	3,268,393	23,902,029	3,268,393	3,584,996	3,258,281	4,745,127	2,980,676	1,222,781	282,661	62,650
\$15,000 under \$20,000	2,237,061	27,535,183	2,237,061	4,130,070	2,232,006	4,946,365	2,002,493	865,224	229,512	48,928
\$20,000 under \$25,000	1,297,884	22,234,979	1,297,884	3,355,658	1,297,884	4,048,375	1,172,514	724,325	115,259	31,608
\$25,000 under \$30,000	762,960	16,863,154	762,960	2,882,931	762,960	3,235,357	612,604	395,762	150,356	43,336
\$30,000 under \$40,000	431,786	12,214,910	431,786	2,380,425	431,786	2,544,950	324,244	222,836	105,007	58,311
\$40,000 or more	70,814	2,705,831	70,814	587,197	70,814	593,928	39,860	23,643	30,954	16,912
<b>Nontaxable returns, total</b> .....	<b>77,341</b>	<b>209</b>	<b>—</b>	<b>—</b>	<b>5,326,406</b>	<b>1,018,404</b>	<b>5,326,406</b>	<b>1,018,404</b>	<b>—</b>	<b>—</b>

NOTE: Detail may not add to totals because of rounding

**Table 1.6—Form 1040A Returns: Sources of Income, Deductions, and Tax Items, by Size of Adjusted Gross Income**

(All figures are estimates based on samples—money amounts are in thousands of dollars)

Size of adjusted gross income	Number of returns	Adjusted gross income	Salaries and wages		Taxable interest		Tax-exempt interest		Dividends	
			Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
<b>All returns, total</b>	<b>20,478,063</b>	<b>335,817,358</b>	<b>19,923,320</b>	<b>327,511,857</b>	<b>7,409,137</b>	<b>4,887,389</b>	<b>64,237</b>	<b>50,654</b>	<b>1,211,446</b>	<b>636,484</b>
Under \$5,000	3,308,703	8,226,730	2,830,361	7,047,140	1,061,313	825,310	*9,965	*20,014	242,493	138,630
\$5,000 under \$10,000	3,810,688	28,824,996	3,740,930	27,003,516	820,150	966,130	—	—	134,380	73,304
\$10,000 under \$15,000	3,865,463	48,068,970	3,858,819	46,573,881	987,993	580,368	*13,287	*9,088	105,991	51,359
\$15,000 under \$20,000	3,005,227	52,165,152	3,005,227	51,233,935	1,048,985	524,753	*11,699	*9,899	138,901	54,702
\$20,000 under \$25,000	2,162,679	48,380,298	2,162,679	47,535,960	893,199	471,087	*13,287	*4,425	149,174	48,376
\$25,000 under \$30,000	1,460,514	40,003,601	1,460,514	39,432,786	782,625	406,092	*3,322	*3,362	151,885	94,544
\$30,000 under \$40,000	1,895,688	65,104,145	1,895,688	64,243,096	1,161,798	665,484	*7,606	*2,325	171,685	84,762
\$40,000 or more	969,102	45,043,467	969,102	44,441,543	653,073	448,166	*5,070	*1,541	116,938	90,808
<b>Taxable returns, total</b>	<b>13,432,166</b>	<b>283,565,347</b>	<b>12,990,364</b>	<b>277,021,310</b>	<b>6,557,954</b>	<b>4,349,159</b>	<b>57,594</b>	<b>32,952</b>	<b>1,108,777</b>	<b>586,309</b>
Under \$5,000	910,324	1,870,934	518,350	1,110,709	797,383	654,352	*3,322	*2,312	202,631	113,374
\$5,000 under \$10,000	1,334,693	10,221,913	1,291,509	9,151,668	572,552	666,837	—	—	89,689	56,856
\$10,000 under \$15,000	1,915,822	24,436,951	1,909,179	23,448,111	707,824	528,560	*13,287	*9,088	87,874	42,887
\$15,000 under \$20,000	2,794,817	48,747,082	2,794,817	47,895,548	992,822	509,442	*11,699	*9,899	138,901	54,702
\$20,000 under \$25,000	2,151,206	48,137,253	2,151,206	47,297,849	889,877	470,227	*13,287	*4,425	149,174	48,376
\$25,000 under \$30,000	1,460,514	40,003,601	1,460,514	39,432,786	782,625	406,092	*3,322	*3,362	151,885	94,544
\$30,000 under \$40,000	1,895,688	65,104,145	1,895,688	64,243,096	1,161,798	665,484	*7,606	*2,325	171,685	84,762
\$40,000 or more	969,102	45,043,467	969,102	44,441,543	653,073	448,166	*5,070	*1,541	116,938	90,808
<b>Nontaxable returns, total</b>	<b>7,045,898</b>	<b>52,252,011</b>	<b>6,932,956</b>	<b>50,490,548</b>	<b>851,183</b>	<b>538,230</b>	<b>*6,644</b>	<b>*17,702</b>	<b>102,669</b>	<b>50,176</b>

Size of adjusted gross income	Unemployment compensation		Total income		Statutory adjustments					
	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Primary IRA payments		Secondary IRA payments	
							Number of returns	Amount	Number of returns	Amount
	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)
<b>All returns, total</b>	<b>2,637,434</b>	<b>3,697,082</b>	<b>20,478,063</b>	<b>336,732,812</b>	<b>692,016</b>	<b>915,454</b>	<b>677,767</b>	<b>839,479</b>	<b>92,375</b>	<b>75,975</b>
Under \$5,000	229,174	226,858	3,308,703	8,237,937	*13,287	*11,208	*13,287	*11,208	—	—
\$5,000 under \$10,000	663,591	844,921	3,810,688	28,887,871	59,793	62,875	56,471	61,816	*6,644	*1,060
\$10,000 under \$15,000	636,401	969,622	3,865,463	48,175,230	94,210	106,259	94,210	106,259	—	—
\$15,000 under \$20,000	387,051	542,931	3,005,227	52,356,321	135,579	191,170	135,579	186,280	*9,965	*4,890
\$20,000 under \$25,000	274,141	494,566	2,162,679	48,549,989	124,107	169,692	120,785	161,904	*8,151	*7,788
\$25,000 under \$30,000	141,607	208,725	1,460,514	40,142,147	84,026	138,546	84,026	118,765	*15,998	*19,781
\$30,000 under \$40,000	200,687	265,344	1,895,688	65,258,685	113,375	154,540	108,304	131,287	*22,006	*23,252
\$40,000 or more	104,782	144,115	969,102	45,124,632	67,640	81,165	65,104	61,961	29,611	19,204
<b>Taxable returns, total</b>	<b>1,743,872</b>	<b>2,497,261</b>	<b>13,432,166</b>	<b>284,454,038</b>	<b>657,291</b>	<b>888,691</b>	<b>646,364</b>	<b>813,776</b>	<b>85,731</b>	<b>74,915</b>
Under \$5,000	—	—	910,324	1,878,434	*6,644	*7,501	*6,644	*7,501	—	—
\$5,000 under \$10,000	305,576	400,156	1,334,693	10,275,517	46,505	53,604	46,505	53,604	—	—
\$10,000 under \$15,000	369,274	509,868	1,915,822	24,529,426	79,416	92,474	79,416	92,474	—	—
\$15,000 under \$20,000	351,127	478,559	2,794,817	48,938,252	135,579	191,170	135,579	186,280	*9,965	*4,890
\$20,000 under \$25,000	270,819	490,494	2,151,206	48,306,945	124,107	169,692	120,785	161,904	*8,151	*7,788
\$25,000 under \$30,000	141,607	208,725	1,460,514	40,142,147	84,026	138,546	84,026	118,765	*15,998	*19,781
\$30,000 under \$40,000	200,687	265,344	1,895,688	65,258,685	113,375	154,540	108,304	131,287	*22,006	*23,252
\$40,000 or more	104,782	144,115	969,102	45,124,632	67,640	81,165	65,104	61,961	29,611	19,204
<b>Nontaxable returns, total</b>	<b>893,562</b>	<b>1,199,821</b>	<b>7,045,898</b>	<b>52,278,774</b>	<b>34,725</b>	<b>26,763</b>	<b>31,403</b>	<b>25,704</b>	<b>*6,644</b>	<b>*1,060</b>

Footnote(s) at end of table

**Table 1.6—Form 1040A Returns: Sources of Income, Deductions, and Tax Items, by Size of Adjusted Gross Income—Continued**

(All figures are estimates based on samples—money amounts are in thousands of dollars)

Size of adjusted gross income	Basic standard deduction		Additional standard deduction		Exemptions		Taxable income		Child care credit	
	Number of returns	Amount	Number of returns	Amount	Number of exemptions	Amount	Number of returns	Amount	Number of returns	Amount
	(21)	(22)	(23)	(24)	(25)	(26)	(27)	(28)	(29)	(30)
<b>All returns, total</b> .....	<b>20,478,063</b>	<b>85,547,579</b>	<b>334,725</b>	<b>264,744</b>	<b>48,128,606</b>	<b>96,193,846</b>	<b>15,250,780</b>	<b>175,131,042</b>	<b>1,488,728</b>	<b>652,854</b>
Under \$5,000	3,308,703	10,490,865	43,184	35,876	4,862,696	9,713,932	913,646	656,690	—	—
\$5,000 under \$10,000	3,810,688	15,646,685	144,038	113,509	8,346,038	16,672,478	1,644,695	3,694,986	42,261	7,394
\$10,000 under \$15,000	3,865,463	16,423,134	64,622	55,216	9,358,744	18,708,519	3,227,310	14,193,576	312,401	117,648
\$15,000 under \$20,000	3,005,227	12,791,420	31,096	22,279	7,154,426	14,296,561	2,980,468	25,085,225	348,357	166,396
\$20,000 under \$25,000	2,162,679	9,719,349	*8,151	*5,389	5,882,478	11,762,133	2,159,357	26,898,178	316,062	151,381
\$25,000 under \$30,000	1,460,514	6,682,070	*24,760	*17,347	3,979,251	7,955,179	1,460,514	25,349,004	145,114	71,813
\$30,000 under \$40,000	1,895,688	9,008,189	*15,211	*12,930	5,561,490	11,119,684	1,895,688	44,963,343	222,286	100,207
\$40,000 or more	969,102	4,785,868	*3,664	*2,199	2,983,484	5,965,361	969,102	34,290,040	102,247	38,015
<b>Taxable returns, total</b> .....	<b>13,432,166</b>	<b>54,381,505</b>	<b>218,769</b>	<b>168,130</b>	<b>28,872,636</b>	<b>57,713,961</b>	<b>13,432,166</b>	<b>171,301,751</b>	<b>1,079,749</b>	<b>483,704</b>
Under \$5,000	910,324	1,192,157	*3,322	*2,491	*9,965	*19,599	910,324	656,687	—	—
\$5,000 under \$10,000	1,334,693	4,171,404	79,416	59,064	1,305,073	2,607,654	1,334,693	3,383,791	—	—
\$10,000 under \$15,000	1,915,822	7,139,256	54,656	48,240	3,018,383	6,030,288	1,915,822	11,219,167	*29,896	*10,208
\$15,000 under \$20,000	2,794,817	11,741,891	29,589	20,471	6,207,991	12,405,020	2,794,817	24,579,701	272,295	117,816
\$20,000 under \$25,000	2,151,206	9,660,671	*8,151	*5,389	5,806,999	11,611,175	2,151,206	26,860,018	307,911	145,645
\$25,000 under \$30,000	1,460,514	6,682,070	*24,760	*17,347	3,979,251	7,955,179	1,460,514	25,349,004	145,114	71,813
\$30,000 under \$40,000	1,895,688	9,008,189	*15,211	*12,930	5,561,490	11,119,684	1,895,688	44,963,343	222,286	100,207
\$40,000 or more	969,102	4,785,868	*3,664	*2,199	2,983,484	5,965,361	969,102	34,290,040	102,247	38,015
<b>Nontaxable returns, total</b> .....	<b>7,045,898</b>	<b>31,166,074</b>	<b>115,956</b>	<b>96,614</b>	<b>19,255,970</b>	<b>38,479,885</b>	<b>1,818,614</b>	<b>3,829,291</b>	<b>408,978</b>	<b>169,150</b>
Size of adjusted gross income	Earned income credit used to offset income tax before credits		Income tax after credits		Income tax withheld		Overpayment refunded		Tax due at time of filing	
	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
	(31)	(32)	(33)	(34)	(35)	(36)	(37)	(38)	(39)	(40)
<b>All returns, total</b> .....	<b>3,116,144</b>	<b>819,921</b>	<b>13,432,166</b>	<b>26,283,459</b>	<b>19,097,036</b>	<b>36,850,692</b>	<b>17,701,191</b>	<b>14,614,078</b>	<b>2,515,235</b>	<b>741,177</b>
Under \$5,000	—	—	910,324	102,057	2,436,603	430,581	2,528,076	888,828	611,215	64,892
\$5,000 under \$10,000	277,400	38,796	1,334,693	506,906	3,433,231	1,872,849	3,501,759	3,162,823	235,849	35,979
\$10,000 under \$15,000	1,479,946	501,576	1,915,822	1,508,312	3,757,965	4,054,775	3,616,326	3,629,317	239,171	71,522
\$15,000 under \$20,000	1,358,798	279,549	2,794,817	3,313,858	2,990,433	5,270,016	2,686,333	2,085,980	315,573	91,805
\$20,000 under \$25,000	—	—	2,151,206	3,900,607	2,156,035	5,299,488	1,926,829	1,462,145	232,527	63,264
\$25,000 under \$30,000	—	—	1,460,514	3,891,577	1,460,514	4,807,725	1,172,302	1,019,106	288,212	102,958
\$30,000 under \$40,000	—	—	1,895,688	7,101,393	1,893,153	8,584,287	1,609,208	1,610,066	286,480	127,172
\$40,000 or more	—	—	969,102	5,958,749	969,102	6,530,972	660,358	755,814	306,208	183,586
<b>Taxable returns, total</b> .....	<b>1,523,011</b>	<b>416,250</b>	<b>13,432,166</b>	<b>26,283,459</b>	<b>12,831,703</b>	<b>33,642,598</b>	<b>10,907,752</b>	<b>8,100,321</b>	<b>2,515,235</b>	<b>741,177</b>
Under \$5,000	—	—	910,324	102,057	448,591	89,725	299,110	52,559	611,215	64,892
\$5,000 under \$10,000	—	—	1,334,693	506,906	1,245,004	864,025	1,095,522	393,097	235,849	35,979
\$10,000 under \$15,000	312,125	163,584	1,915,822	1,508,312	1,879,282	2,398,334	1,676,651	961,544	239,171	71,522
\$15,000 under \$20,000	1,210,886	252,666	2,794,817	3,313,858	2,788,173	5,077,936	2,475,922	1,855,882	315,573	91,805
\$20,000 under \$25,000	—	—	2,151,206	3,900,607	2,147,884	5,289,595	1,918,679	1,452,253	232,527	63,264
\$25,000 under \$30,000	—	—	1,460,514	3,891,577	1,460,514	4,807,725	1,172,302	1,019,106	288,212	102,958
\$30,000 under \$40,000	—	—	1,895,688	7,101,393	1,893,153	8,584,287	1,609,208	1,610,066	286,480	127,172
\$40,000 or more	—	—	969,102	5,958,749	969,102	6,530,972	660,358	755,814	306,208	183,586
<b>Nontaxable returns, total</b> .....	<b>1,593,133</b>	<b>403,671</b>	—	—	<b>6,265,333</b>	<b>3,208,094</b>	<b>6,793,439</b>	<b>6,513,758</b>	—	—

\* Estimate should be used with caution because of the small number of sample returns on which it is based.

NOTE: Detail may not add to totals because of rounding.

**Table 2.1—Returns with Itemized Deductions: Sources of Income, Adjustments, Itemized Deductions by Type, Exemptions, and Tax Items by Size of Adjusted Gross Income**

(All figures are estimates based on samples—money amounts are in thousands of dollars)

Size of adjusted gross income	Number of returns	Adjusted gross income	Salaries and wages		Taxable interest		Tax-exempt interest		Dividends	
			Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	
<b>All returns, total</b> .....	<b>31,972,317</b>	<b>1,971,221,592</b>	<b>28,118,969</b>	<b>1,411,156,238</b>	<b>28,143,380</b>	<b>119,353,426</b>	<b>2,367,255</b>	<b>30,331,769</b>	<b>12,054,362</b>	<b>58,011,209</b>
Under \$5,000	162,917	429,307	56,160	468,828	132,110	237,117	*8,096	*61,274	53,871	156,394
\$5,000 under \$10,000	629,378	4,988,613	253,883	2,121,825	524,734	1,518,351	32,633	225,736	210,317	325,841
\$10,000 under \$15,000	1,068,327	13,492,042	596,785	6,605,292	845,677	2,778,300	51,860	285,447	317,508	722,697
\$15,000 under \$20,000	1,507,281	26,643,685	1,092,935	17,230,847	1,169,896	3,077,191	49,814	201,699	411,654	1,027,505
\$20,000 under \$25,000	1,968,007	44,363,983	1,631,435	33,588,446	1,492,095	3,268,933	60,354	529,881	446,345	1,096,467
\$25,000 under \$30,000	2,321,050	64,068,067	2,075,698	52,207,563	1,839,260	3,555,580	68,734	533,010	589,601	1,123,978
\$30,000 under \$35,000	2,612,477	85,073,623	2,360,147	70,580,488	2,186,028	3,642,041	98,663	947,508	635,876	1,226,070
\$35,000 under \$40,000	2,751,647	103,264,584	2,560,479	87,813,802	2,331,855	4,172,633	113,597	787,320	805,230	1,625,368
\$40,000 under \$45,000	2,799,384	119,013,939	2,621,438	101,890,673	2,476,626	4,705,984	128,941	841,158	875,411	1,447,458
\$45,000 under \$50,000	2,625,060	124,630,439	2,470,240	106,386,695	2,334,943	4,420,221	131,155	720,500	858,073	1,646,583
\$50,000 under \$55,000	2,280,561	119,601,103	2,152,356	102,983,672	2,077,562	3,858,598	111,385	905,263	827,134	1,680,023
\$55,000 under \$60,000	1,904,981	109,431,515	1,793,024	93,385,184	1,762,583	3,844,987	105,670	585,850	727,384	1,478,602
\$60,000 under \$75,000	3,793,386	252,980,298	3,559,584	214,007,615	3,586,047	10,287,954	289,781	1,918,853	1,767,457	4,463,856
\$75,000 under \$100,000	2,802,965	239,458,935	2,555,680	185,790,175	2,696,369	13,108,878	379,743	3,236,715	1,562,957	6,095,816
\$100,000 under \$200,000	1,975,980	261,681,537	1,708,222	171,299,216	1,922,937	17,995,299	436,011	5,600,837	1,339,555	9,121,169
\$200,000 under \$500,000	598,105	174,825,846	490,814	93,698,260	594,227	14,582,193	212,304	5,520,116	476,274	9,304,106
\$500,000 under \$1,000,000	113,790	77,215,545	92,991	34,210,698	113,492	7,741,207	54,979	2,860,874	97,819	4,490,458
\$1,000,000 or more	57,021	150,058,531	47,099	36,886,958	56,936	16,557,959	33,537	4,569,730	51,895	10,978,820
Taxable returns, total	30,427,264	1,948,243,841	27,309,595	1,398,045,049	26,862,491	113,977,249	2,285,001	29,332,687	11,542,093	56,310,576
Nontaxable returns, total	1,545,054	22,977,751	809,374	13,111,189	1,280,889	5,376,178	82,254	999,082	512,269	1,700,633

Size of adjusted gross income	State income tax refunds		Alimony received		Business or profession net income less loss		Sales of capital assets net gain less loss		Sales of property other than capital assets net gain less loss	
	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)	
<b>All returns, total</b> .....	<b>14,462,588</b>	<b>8,431,776</b>	<b>218,421</b>	<b>2,294,327</b>	<b>6,748,303</b>	<b>98,532,427</b>	<b>8,470,753</b>	<b>119,118,574</b>	<b>1,007,973</b>	<b>1,219,963</b>
Under \$5,000	34,549	15,436	*1,358	*6,105	67,233	16,042	39,378	120,969	10,672	-82,779
\$5,000 under \$10,000	127,764	47,308	*5,880	*34,373	186,011	835,330	155,597	171,654	17,171	-48,401
\$10,000 under \$15,000	265,339	81,178	17,639	75,800	281,989	1,507,623	216,850	95,070	27,049	-155,862
\$15,000 under \$20,000	502,892	167,237	26,385	169,522	372,520	2,621,326	322,278	726,251	34,514	-85,465
\$20,000 under \$25,000	743,602	233,758	34,427	212,524	430,474	2,914,012	323,326	682,440	38,362	-120,419
\$25,000 under \$30,000	1,064,856	346,886	27,741	318,726	475,448	2,997,568	376,390	516,772	46,889	-9,582
\$30,000 under \$35,000	1,248,528	412,423	17,444	113,199	525,016	3,609,245	446,732	806,470	49,277	-55,373
\$35,000 under \$40,000	1,268,763	450,047	20,789	230,406	511,111	3,698,897	489,654	800,793	54,364	6,398
\$40,000 under \$45,000	1,443,748	536,020	22,615	403,881	475,716	3,519,082	513,338	1,084,734	42,136	-28,404
\$45,000 under \$50,000	1,326,677	518,485	*9,533	*151,612	508,106	4,489,479	558,855	1,532,283	52,412	-51,752
\$50,000 under \$55,000	1,098,102	432,592	*6,812	*164,305	448,904	4,104,256	507,159	1,188,245	47,257	81,646
\$55,000 under \$60,000	986,914	412,795	*1,827	*768	349,952	3,856,858	451,760	1,698,838	47,244	80,105
\$60,000 under \$75,000	1,823,623	855,954	*8,457	*48,455	711,649	9,292,893	1,160,379	4,095,772	124,670	1,130,096
\$75,000 under \$100,000	1,275,295	823,523	11,559	218,470	611,442	12,953,188	1,159,763	6,939,358	115,056	99,883
\$100,000 under \$200,000	906,709	1,127,769	2,711	59,134	561,572	22,671,728	1,139,312	16,446,836	162,473	461,851
\$200,000 under \$500,000	258,206	808,686	2,814	75,345	180,931	12,457,483	458,581	20,986,528	97,062	357,291
\$500,000 under \$1,000,000	55,818	395,465	255	6,329	32,912	3,527,532	98,477	13,434,055	24,836	217,578
\$1,000,000 or more	31,202	766,214	175	5,373	17,317	3,459,884	52,925	47,791,507	16,528	440,157
Taxable returns, total	14,021,454	8,190,785	203,533	2,186,089	6,180,175	95,901,293	8,054,882	116,814,200	947,354	1,624,865
Nontaxable returns, total	441,134	240,991	14,888	108,239	568,128	2,631,133	415,872	2,304,373	60,618	-404,902

Size of adjusted gross income	Taxable IRA distributions		Pensions and annuities in AGI		Rent and royalty net income		Rent and royalty net loss		Farm rental net income less loss	
	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
(21)	(22)	(23)	(24)	(25)	(26)	(27)	(28)	(29)	(30)	
<b>All returns, total</b> .....	<b>1,282,191</b>	<b>7,805,809</b>	<b>6,039,117</b>	<b>63,173,066</b>	<b>2,631,006</b>	<b>22,971,332</b>	<b>3,851,586</b>	<b>24,850,627</b>	<b>201,638</b>	<b>915,876</b>
Under \$5,000	*10,622	*31,102	23,914	117,765	16,471	64,117	32,082	268,402	*1,359	*5,054
\$5,000 under \$10,000	26,852	88,026	163,325	859,527	72,399	248,238	72,443	563,321	*9,175	*-4,216
\$10,000 under \$15,000	57,789	200,437	326,119	2,110,118	80,547	280,222	118,163	654,690	*6,249	*12,947
\$15,000 under \$20,000	64,618	263,294	332,016	2,659,690	133,294	515,309	173,590	1,040,074	13,929	41,460
\$20,000 under \$25,000	78,741	306,078	339,051	3,039,735	122,233	560,703	182,406	1,102,277	*9,875	*52,861
\$25,000 under \$30,000	77,437	339,748	392,869	3,469,884	111,997	373,242	247,245	1,443,434	10,354	24,846
\$30,000 under \$35,000	102,865	458,701	413,061	4,005,519	165,577	670,991	242,268	1,143,242	8,686	26,878
\$35,000 under \$40,000	76,293	282,082	449,301	3,915,682	159,456	473,228	229,117	1,258,456	11,779	26,964
\$40,000 under \$45,000	98,868	357,755	522,594	4,552,761	154,988	630,046	257,574	1,325,429	8,420	42,986
\$45,000 under \$50,000	123,145	638,838	472,079	3,865,045	168,455	819,687	247,375	1,279,350	17,200	67,577
\$50,000 under \$55,000	88,919	499,341	406,319	3,927,710	145,896	703,544	219,689	1,332,716	14,908	74,075
\$55,000 under \$60,000	69,968	485,909	339,213	3,510,447	129,873	442,628	220,552	1,272,512	12,033	32,484
\$60,000 under \$75,000	170,496	1,048,019	714,118	7,041,314	275,057	1,765,587	492,915	3,116,948	24,205	140,459
\$75,000 under \$100,000	128,250	1,013,639	608,502	8,313,003	325,233	2,596,409	444,630	2,963,311	20,895	97,262
\$100,000 under \$200,000	81,761	1,016,238	398,664	7,085,750	333,106	4,491,799	444,959	3,051,013	21,718	165,202
\$200,000 under \$500,000	19,894	471,236	105,397	2,425,946	173,481	4,374,872	169,441	1,723,285	8,288	81,745
\$500,000 under \$1,000,000	3,650	138,654	21,635	1,134,889	39,255	1,800,677	37,806	682,684	1,667	16,504
\$1,000,000 or more	2,022	166,711	10,939	1,138,279	23,688	2,160,033	19,332	2,698,484	897	10,788
Taxable returns, total	1,217,068	7,518,476	5,674,446	60,781,929	2,455,501	21,943,778	3,602,935	22,448,992	193,701	920,094
Nontaxable returns, total	65,123	287,332	364,671	2,391,137	175,504	1,027,554	248,651	2,401,635	7,937	-4,218

Footnote(s) at end of table

**Table 2.1—Returns with Itemized Deductions: Sources of Income, Adjustments, Itemized Deductions by Type, Exemptions, and Tax Items by Size of Adjusted Gross Income—Continued**

(All figures are estimates based on samples—money amounts are in thousands of dollars)

Size of adjusted gross income	Partnership and S Corporation net income less loss		Estate and trust net income less loss		Farm net income less loss		Unemployment compensation	
	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
	(31)	(32)	(33)	(34)	(35)	(36)	(37)	(38)
<b>All returns, total</b> .....	<b>4,049,520</b>	<b>74,096,325</b>	<b>303,603</b>	<b>3,335,844</b>	<b>681,211</b>	<b>-1,748,804</b>	<b>1,978,158</b>	<b>3,902,777</b>
Under \$5,000	25,953	-128,033	*2,420	*1,299	8,713	-127,652	*6,942	*9,867
\$5,000 under \$10,000	68,585	-365,295	8,080	24,816	13,489	-139,258	23,394	44,242
\$10,000 under \$15,000	75,017	-118,277	*7,729	*15,478	36,115	-58,556	73,891	182,686
\$15,000 under \$20,000	117,764	-266,346	*8,421	*30,073	33,298	-296,933	106,255	223,814
\$20,000 under \$25,000	128,296	-279,124	*10,344	*16,200	39,323	-137,580	132,126	292,543
\$25,000 under \$30,000	161,765	166,917	11,577	16,032	41,255	-64,229	180,962	418,234
\$30,000 under \$35,000	186,845	479,216	14,829	51,205	51,436	-37,868	210,550	407,470
\$35,000 under \$40,000	188,825	306,482	22,850	99,504	45,606	-51,160	269,501	487,019
\$40,000 under \$45,000	201,024	394,458	*11,872	*31,156	55,278	-62,467	204,720	407,340
\$45,000 under \$50,000	210,680	443,221	12,577	4,540	55,319	-64,277	186,377	368,968
\$50,000 under \$55,000	209,167	833,504	12,097	-19,697	40,007	-161,348	153,633	269,294
\$55,000 under \$60,000	148,707	819,527	10,884	40,391	36,324	50,982	97,415	169,850
\$60,000 under \$75,000	466,652	2,016,371	27,284	74,932	70,880	116,224	197,036	345,009
\$75,000 under \$100,000	557,270	3,659,850	44,268	325,513	59,622	67,527	94,116	171,550
\$100,000 under \$200,000	768,863	12,625,152	49,844	520,490	57,730	-245,107	34,021	79,512
\$200,000 under \$500,000	394,550	16,428,240	33,443	568,278	26,855	-226,202	6,667	23,643
\$500,000 under \$1,000,000	90,049	9,889,006	9,221	422,320	6,002	-97,264	369	1,096
\$1,000,000 or more	49,507	27,191,455	5,862	1,113,313	3,961	-213,638	184	639
Taxable returns, total	3,846,947	76,779,467	289,274	3,305,224	617,583	-1,331,577	1,881,390	3,654,335
Nontaxable returns, total	202,572	-2,683,142	14,329	30,620	63,628	-417,226	96,768	248,442

Size of adjusted gross income	Social Security benefits in AGI		Foreign earned income exclusion		Other income less loss		Total statutory adjustments	
	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
	(39)	(40)	(41)	(42)	(43)	(44)	(45)	(46)
<b>All returns, total</b> .....	<b>2,170,660</b>	<b>8,903,082</b>	<b>43,494</b>	<b>2,235,853</b>	<b>3,178,414</b>	<b>15,461,653</b>	<b>5,058,274</b>	<b>16,405,359</b>
Under \$5,000	—	—	*857	*60,003	9,885	17,392	23,817	40,967
\$5,000 under \$10,000	*4,522	*18,943	*857	*59,260	45,965	75,965	94,337	114,146
\$10,000 under \$15,000	*4,521	*18,915	*999	*40,132	83,795	171,396	176,623	273,940
\$15,000 under \$20,000	*13,242	*18,907	*4,770	*217,524	100,173	174,887	237,323	343,362
\$20,000 under \$25,000	93,975	136,505	*2,640	*160,486	146,993	270,013	296,533	491,264
\$25,000 under \$30,000	155,181	274,705	*1,236	*38,944	177,949	238,789	391,911	692,370
\$30,000 under \$35,000	215,097	558,717	*2,786	*74,620	201,902	166,433	452,303	794,579
\$35,000 under \$40,000	224,816	727,650	*274	*25,038	208,543	358,374	413,164	840,521
\$40,000 under \$45,000	219,018	834,788	*2,057	*93,932	265,651	567,592	460,213	846,692
\$45,000 under \$50,000	166,953	751,390	*1,168	*21,746	246,593	589,229	414,088	618,706
\$50,000 under \$55,000	143,949	637,055	3,498	102,102	128,758	383,789	216,918	540,873
\$55,000 under \$60,000	105,836	541,230	*346	*24,540	220,141	440,182	200,713	538,544
\$60,000 under \$75,000	229,855	1,108,949	4,866	205,877	390,371	1,102,456	436,538	1,492,989
\$75,000 under \$100,000	263,347	1,288,051	5,788	312,681	349,567	1,265,793	489,997	1,995,305
\$100,000 under \$200,000	222,081	1,280,397	7,178	476,414	326,077	2,875,500	507,430	3,630,308
\$200,000 under \$500,000	80,638	506,722	3,384	251,398	135,102	2,424,185	190,147	2,264,310
\$500,000 under \$1,000,000	17,976	128,475	548	49,939	31,938	1,228,597	37,458	572,512
\$1,000,000 or more	9,652	71,683	244	21,218	19,013	3,111,082	18,762	313,971
Taxable returns, total	2,125,485	8,733,881	38,633	1,927,738	3,039,174	15,042,420	4,778,073	16,014,965
Nontaxable returns, total	45,175	169,201	4,861	308,115	139,240	419,233	280,202	390,394

Size of adjusted gross income	Itemized deductions							
	Total	Medical and dental expense deduction				Taxes paid deduction		
		Number of returns	Amount	Prescriptions and medical care		Miscellaneous medical expenses		Total
				Number of returns	Amount	Number of returns	Amount	
	(47)	(48)	(49)	(50)	(51)	(52)	(53)	(54)
<b>All returns, total</b> .....	<b>430,977,999</b>	<b>5,128,338</b>	<b>20,920,881</b>	<b>5,067,618</b>	<b>26,733,953</b>	<b>3,009,674</b>	<b>6,113,315</b>	<b>31,392,533</b>
Under \$5,000	1,466,812	94,424	552,804	88,693	331,128	36,573	239,247	136,024
\$5,000 under \$10,000	5,544,711	400,031	2,372,448	389,779	2,125,897	195,102	485,738	527,558
\$10,000 under \$15,000	8,915,497	603,631	2,834,859	599,110	2,600,314	308,643	802,939	1,313,263
\$15,000 under \$20,000	12,176,552	669,876	2,603,215	665,355	2,842,599	369,627	643,124	2,130,203
\$20,000 under \$25,000	16,118,559	659,832	2,200,298	650,322	2,760,284	401,833	550,600	1,907,311
\$25,000 under \$30,000	19,669,661	556,578	1,751,821	553,496	2,651,612	315,816	245,223	2,264,389
\$30,000 under \$35,000	23,305,359	469,092	1,283,930	466,352	2,123,191	306,404	303,559	2,590,681
\$35,000 under \$40,000	25,895,964	390,297	1,204,617	385,833	1,970,938	244,604	328,182	2,721,378
\$40,000 under \$45,000	27,916,499	320,473	925,545	315,743	1,630,146	208,119	317,884	2,777,300
\$45,000 under \$50,000	28,741,748	272,679	1,162,608	270,042	1,781,881	173,389	348,423	2,607,544
\$50,000 under \$55,000	25,948,239	195,693	786,308	193,970	1,147,645	130,562	407,984	2,264,593
\$55,000 under \$60,000	23,019,000	109,973	429,430	108,136	696,904	68,482	206,808	1,895,234
\$60,000 under \$75,000	52,096,139	216,437	1,264,577	214,601	1,832,072	146,034	510,468	3,778,271
\$75,000 under \$100,000	48,788,332	110,744	723,209	108,907	1,195,256	67,907	230,201	2,791,171
\$100,000 under \$200,000	51,329,803	49,045	556,286	47,844	698,247	30,582	323,443	1,969,109
\$200,000 under \$500,000	29,131,280	8,442	209,624	8,367	255,016	5,339	135,053	594,545
\$500,000 under \$1,000,000	11,031,212	912	47,936	892	64,562	602	29,432	113,253
\$1,000,000 or more	19,862,631	178	11,366	178	26,364	55	5,006	56,666
Taxable returns, total	406,692,432	4,180,760	13,116,169	4,136,024	20,398,984	2,528,415	3,689,380	30,057,619
Nontaxable returns, total	24,285,567	947,579	7,804,712	931,594	6,334,969	481,259	2,423,935	1,334,914

Footnote(s) at end of table

**Table 2.1—Returns with Itemized Deductions: Sources of Income, Adjustments, Itemized Deductions by Type, Exemptions, and Tax Items by Size of Adjusted Gross Income—Continued**

(All figures are estimates based on samples—money amounts are in thousands of dollars)

Size of adjusted gross income	Itemized deductions—Continued									
	Taxes paid deduction—Continued								Interest paid deduction	
	State and local income taxes		Real estate taxes		Personal property taxes		Other taxes		Total	
	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
	(56)	(57)	(58)	(59)	(60)	(61)	(62)	(63)	(64)	(65)
<b>All returns, total</b> .....	<b>28,415,164</b>	<b>80,904,948</b>	<b>27,998,636</b>	<b>45,210,996</b>	<b>10,709,835</b>	<b>3,008,468</b>	<b>6,663,321</b>	<b>2,175,240</b>	<b>29,437,622</b>	<b>193,186,034</b>
Under \$5,000	57,690	37,608	109,852	135,253	34,837	8,404	*7,410	*760	120,103	636,183
\$5,000 under \$10,000	271,490	103,088	439,346	522,155	160,225	28,003	75,564	17,459	425,206	1,837,505
\$10,000 under \$15,000	621,935	287,725	795,871	927,975	286,494	51,259	163,159	46,304	805,011	3,098,455
\$15,000 under \$20,000	1,055,584	720,149	1,180,750	1,275,297	440,209	83,980	249,690	50,777	1,277,829	5,144,022
\$20,000 under \$25,000	1,548,239	1,254,592	1,558,816	1,761,683	545,021	101,707	388,196	108,501	1,747,576	7,289,671
\$25,000 under \$30,000	1,939,206	2,075,733	1,922,812	2,143,753	747,923	158,337	500,658	108,531	2,147,066	9,342,453
\$30,000 under \$35,000	2,154,161	2,772,290	2,255,749	2,649,246	832,218	172,098	568,794	143,500	2,448,952	11,722,489
\$35,000 under \$40,000	2,338,640	3,503,382	2,384,957	2,907,969	882,885	188,803	616,004	134,139	2,589,188	13,050,036
\$40,000 under \$45,000	2,397,599	4,223,984	2,482,488	3,233,848	909,762	195,528	567,585	150,850	2,656,368	13,830,509
\$45,000 under \$50,000	2,267,596	4,489,618	2,358,715	3,251,544	862,454	212,043	512,561	158,051	2,486,526	14,059,024
\$50,000 under \$55,000	1,964,810	4,426,928	2,056,447	2,936,238	791,064	207,939	498,525	154,367	2,203,183	12,515,291
\$55,000 under \$60,000	1,640,674	4,092,324	1,734,543	2,639,261	638,133	178,805	422,231	137,511	1,823,972	11,254,415
\$60,000 under \$75,000	3,304,402	9,832,395	3,516,630	5,965,630	1,414,126	436,589	866,775	287,404	3,609,206	24,505,685
\$75,000 under \$100,000	2,452,830	9,818,504	2,624,904	5,524,179	1,075,971	362,732	627,973	241,810	2,611,385	22,715,098
\$100,000 under \$200,000	1,734,873	11,912,321	1,846,984	5,357,690	786,792	325,320	395,822	198,135	1,801,694	22,470,771
\$200,000 under \$500,000	516,470	8,754,597	567,065	2,604,322	235,766	164,781	139,427	53,606	533,825	11,307,466
\$500,000 under \$1,000,000	98,721	4,193,347	108,335	750,761	43,815	46,797	27,820	36,740	100,213	3,393,967
\$1,000,000 or more	50,246	8,406,362	54,373	624,193	22,239	85,343	15,127	82,793	50,218	5,012,992
Taxable returns, total	25,643,936	80,174,365	26,810,943	43,321,938	10,265,578	2,903,528	6,456,172	2,109,793	28,247,963	183,222,704
Nontaxable returns, total	771,228	730,583	1,187,694	1,889,058	444,358	104,940	207,149	65,447	1,189,559	9,963,329

Size of adjusted gross income	Itemized deductions—Continued									
	Interest paid deduction—Continued								Investment interest paid	
	Home mortgage interest						Deductible points		Investment interest paid	
	Total		Paid to financial institutions		Paid to individuals		Number of returns	Amount	Number of returns	Amount
	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	(72)	(73)	(74)	(75)
<b>All returns, total</b> .....	<b>26,367,375</b>	<b>169,466,752</b>	<b>25,684,038</b>	<b>162,714,380</b>	<b>2,470,618</b>	<b>6,752,372</b>	<b>2,359,528</b>	<b>3,810,261</b>	<b>1,718,230</b>	<b>11,687,574</b>
Under \$5,000	106,237	591,249	104,730	575,774	*4,373	*15,474	*3,432	*2,315	6,306	23,390
\$5,000 under \$10,000	352,201	1,691,620	343,627	1,639,817	21,578	51,803	14,000	16,623	18,185	48,453
\$10,000 under \$15,000	648,169	2,841,767	619,398	2,674,242	60,877	167,525	34,271	45,861	22,715	54,210
\$15,000 under \$20,000	1,072,534	4,803,111	1,043,763	4,600,861	97,845	202,250	60,369	61,507	41,476	42,069
\$20,000 under \$25,000	1,483,732	6,643,340	1,426,625	6,289,554	142,971	353,786	116,200	149,450	49,944	106,553
\$25,000 under \$30,000	1,861,170	8,625,939	1,806,048	8,299,046	152,571	326,893	126,046	140,177	42,886	72,669
\$30,000 under \$35,000	2,173,408	10,818,841	2,098,472	10,291,166	194,258	527,674	162,788	182,052	68,569	140,938
\$35,000 under \$40,000	2,342,450	12,016,745	2,278,345	11,501,197	205,929	515,548	217,829	285,433	64,369	136,427
\$40,000 under \$45,000	2,400,459	12,720,832	2,330,365	12,168,524	233,920	552,308	199,974	298,731	78,242	124,786
\$45,000 under \$50,000	2,285,593	12,994,395	2,227,814	12,549,382	195,696	445,014	164,236	217,190	75,068	155,129
\$50,000 under \$55,000	2,021,582	11,380,095	1,977,769	10,924,799	189,662	455,297	179,277	234,245	90,542	264,684
\$55,000 under \$60,000	1,670,348	10,345,618	1,627,504	9,883,935	161,784	461,683	148,537	233,391	77,342	155,961
\$60,000 under \$75,000	3,327,973	22,481,374	3,265,789	21,697,143	337,409	784,232	307,023	514,019	175,201	371,207
\$75,000 under \$100,000	2,402,115	20,383,317	2,357,594	19,746,883	230,548	636,434	325,921	612,708	243,964	865,957
\$100,000 under \$200,000	1,632,159	19,393,430	1,599,894	18,560,263	182,630	833,167	218,364	530,319	370,135	1,860,604
\$200,000 under \$500,000	469,891	8,544,187	461,267	8,256,510	48,447	287,677	66,645	229,311	207,093	2,279,807
\$500,000 under \$1,000,000	80,596	1,988,330	79,055	1,909,547	7,288	78,784	10,223	38,185	52,724	1,290,379
\$1,000,000 or more	36,757	1,202,561	35,979	1,145,737	3,032	56,824	4,390	18,746	31,468	3,694,351
Taxable returns, total	25,283,894	161,157,848	24,629,218	154,727,624	2,372,364	6,430,224	2,286,381	3,666,725	1,639,202	10,488,507
Nontaxable returns, total	1,083,481	8,308,904	1,054,821	7,986,756	98,453	322,148	73,145	143,536	77,028	1,199,067

Size of adjusted gross income	Itemized deductions—Continued									
	Interest paid deduction—Continued				Contributions deduction					
	Personal interest paid		Personal interest deduction		Total		Cash contributions		Other than cash contributions	
	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
	(76)	(77)	(78)	(79)	(80)	(81)	(82)	(83)	(84)	(85)
<b>All returns, total</b> .....	<b>25,040,009</b>	<b>39,363,790</b>	<b>25,020,567</b>	<b>6,221,446</b>	<b>29,132,466</b>	<b>55,459,205</b>	<b>26,617,194</b>	<b>46,553,194</b>	<b>11,227,767</b>	<b>7,550,914</b>
Under \$5,000	75,972	91,228	75,972	19,230	94,010	40,315	92,652	35,356	19,690	4,419
\$5,000 under \$10,000	286,881	325,147	286,881	80,809	439,678	357,316	428,214	320,898	108,819	28,136
\$10,000 under \$15,000	578,119	684,352	578,119	156,617	820,481	898,415	798,253	796,353	214,013	75,992
\$15,000 under \$20,000	1,028,607	1,104,470	1,027,248	237,335	1,280,185	1,388,057	1,265,412	1,218,193	382,421	130,320
\$20,000 under \$25,000	1,418,628	1,808,042	1,418,628	390,328	1,686,447	1,990,586	1,643,725	1,723,925	558,843	224,031
\$25,000 under \$30,000	1,793,448	2,394,326	1,789,676	503,668	2,033,644	2,247,469	1,992,087	1,985,330	702,995	241,554
\$30,000 under \$35,000	2,102,720	2,728,859	2,102,720	580,659	2,322,146	2,780,518	2,258,376	2,417,272	796,395	302,119
\$35,000 under \$40,000	2,254,977	2,966,994	2,254,977	611,430	2,494,612	2,986,002	2,438,118	2,623,890	910,987	352,518
\$40,000 under \$45,000	2,343,209	3,339,422	2,343,209	686,160	2,582,065	3,254,832	2,535,860	2,901,380	930,818	331,671
\$45,000 under \$50,000	2,222,013	3,345,129	2,221,100	692,310	2,432,689	3,388,645	2,389,365	3,065,827	931,857	320,614
\$50,000 under \$55,000	1,994,626	3,095,572	1,992,902	636,266	2,160,974	3,164,914	2,116,543	2,780,835	889,108	354,038
\$55,000 under \$60,000	1,620,604	2,557,624	1,618,173	519,445	1,802,588	2,814,173	1,776,405	2,498,146	739,252	314,206
\$60,000 under \$75,000	3,190,621	5,502,624	3,188,076	1,139,085	3,639,203	6,313,353	3,583,219	5,529,660	1,616,230	736,450
\$75,000 under \$100,000	2,234,329	4,163,436	2,232,492	853,116	2,698,785	5,807,027	2,672,401	4,898,654	1,268,679	822,624
\$100,000 under \$200,000	1,414,267	3,197,577	1,410,931	686,421	1,901,649	6,717,001	1,886,539	5,626,561	867,935	926,671
\$200,000 under \$500,000	381,795	1,211,174	381,219	254,162	577,210	4,227,478	574,715	3,531,616	229,189	523,490
\$500,000 under \$1,000,000	66,880	374,640	66,430	77,072	110,391	2,076,807	109,836	1,565,193	40,444	346,835
\$1,000,000 or more	32,514	473,172	32,414	97,334	55,728	5,006,296	55,471	3,034,104	20,092	1,515,226
Taxable returns, total	24,214,688	38,070,719	24,195,299	7,909,625	28,011,440	53,905,303	27,520,315	45,248,156	10,948,072	7,434,654
Nontaxable returns, total	825,321	1,293,070	825,267	311,822	1,121,046	1,553,902	1,096,878	1,305,038	279,695	116,260

Footnote(s) at end of table

**Table 2.1—Returns with Itemized Deductions: Sources of Income, Adjustments, Itemized Deductions by Type, Exemptions, and Tax Items by Size of Adjusted Gross Income—Continued**

(All figures are estimates based on samples—money amounts are in thousands of dollars)

Size of adjusted gross income	Itemized deductions—Continued															
	Contributions deduction—Continued		Moving expenses deduction		Casualty or theft loss deduction		Net limited miscellaneous deductions									
	Carryover from prior years		Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Unreimbursed employee business expense							
	Number of returns	Amount							Number of returns	Amount						
	(86)	(87)	(88)	(89)	(90)	(91)	(92)	(93)	(94)	(95)						
<b>All returns, total</b> .....	<b>177,224</b>	<b>1,355,097</b>	<b>907,719</b>	<b>3,943,073</b>	<b>189,694</b>	<b>1,744,217</b>	<b>7,506,049</b>	<b>22,401,141</b>	<b>8,305,673</b>	<b>20,708,072</b>						
Under \$5,000	*3,219	*540	—	—	*1,358	*28,310	58,482	43,783	*9,088	*13,167						
\$5,000 under \$10,000	*9,008	*8,282	*7,238	*18,771	*10,618	*34,781	126,675	238,540	58,412	103,377						
\$10,000 under \$15,000	12,125	26,070	24,546	75,981	14,452	138,807	208,630	495,182	131,754	249,646						
\$15,000 under \$20,000	18,894	39,543	23,930	71,340	14,922	151,803	334,753	627,719	257,091	480,319						
\$20,000 under \$25,000	12,745	42,629	60,285	134,601	22,718	67,951	535,417	1,123,175	475,114	957,896						
\$25,000 under \$30,000	14,887	20,586	65,703	215,741	19,967	124,755	564,862	1,359,707	607,842	1,210,079						
\$30,000 under \$35,000	*11,590	*61,128	75,787	213,303	16,347	102,439	653,705	1,387,510	637,480	1,281,099						
\$35,000 under \$40,000	9,501	9,594	60,885	191,072	16,531	126,912	739,783	1,528,295	791,421	1,525,828						
\$40,000 under \$45,000	11,597	21,781	73,271	212,562	19,773	332,138	662,820	1,484,487	798,660	1,426,066						
\$45,000 under \$50,000	*6,924	*2,204	51,263	184,336	*14,492	*117,785	593,365	1,475,611	746,639	1,553,569						
\$50,000 under \$55,000	19,881	30,400	51,423	158,380	*4,383	*37,363	532,164	1,488,355	688,379	1,523,944						
\$55,000 under \$60,000	5,761	1,821	41,168	150,590	*2,328	*26,481	422,881	1,229,077	549,895	1,313,520						
\$60,000 under \$75,000	13,372	47,242	121,316	605,050	16,661	165,981	896,795	2,481,441	1,134,937	2,671,645						
\$75,000 under \$100,000	7,687	85,749	132,844	843,564	*8,240	*77,305	635,436	2,594,982	787,084	2,651,733						
\$100,000 under \$200,000	10,623	163,770	96,201	667,059	5,462	150,078	413,635	2,669,754	484,705	2,642,301						
\$200,000 under \$500,000	6,337	172,372	18,884	171,485	1,319	40,768	107,962	1,241,716	126,147	912,405						
\$500,000 under \$1,000,000	1,740	164,779	2,345	21,310	110	17,365	12,811	374,295	15,317	106,672						
\$1,000,000 or more	1,333	456,966	633	7,928	*13	*3,195	5,873	557,513	5,706	84,805						
Taxable returns, total	147,934	1,222,493	878,862	3,802,260	149,260	942,252	7,171,875	21,420,588	8,138,857	20,263,783						
Nontaxable returns, total	29,290	132,604	28,858	140,813	40,433	801,964	334,174	980,553	166,816	444,288						

Size of adjusted gross income	Itemized deductions—Continued						Exemptions		Taxable income											
	Net limited miscellaneous deductions—Continued				Non-limited miscellaneous deductions		Number of exemptions	Amount	Number of returns	Amount										
	Tax preparation fees		Mutual fund expense		Number of returns	Amount														
	Number of returns	Amount	Number of returns	Amount																
	(96)	(97)	(98)	(99)	(100)	(101)	(102)	(103)	(104)	(105)										
<b>All returns, total</b> .....	<b>8,768,149</b>	<b>2,217,545</b>	<b>20,275</b>	<b>4,250</b>	<b>709,509</b>	<b>2,023,797</b>	<b>86,346,078</b>	<b>172,561,852</b>	<b>30,568,403</b>	<b>1,377,748,404</b>										
Under \$5,000	50,386	11,002	—	—	*3,016	*3,391	281,668	561,714	*10,401	*10,866										
\$5,000 under \$10,000	132,375	39,705	—	—	11,335	14,644	896,479	1,784,752	214,791	455,746										
\$10,000 under \$15,000	266,254	33,911	—	—	28,027	60,535	1,875,733	3,742,090	679,158	2,824,029										
\$15,000 under \$20,000	358,723	53,660	*1,507	*188	40,929	60,194	3,016,248	6,020,972	1,307,532	9,630,739										
\$20,000 under \$25,000	526,555	74,235	—	—	46,530	85,793	4,276,320	8,538,333	1,860,539	20,218,642										
\$25,000 under \$30,000	603,761	81,615	*3,014	*650	54,210	141,360	5,425,664	10,839,545	2,266,637	33,940,523										
\$30,000 under \$35,000	685,492	103,143	*3,448	*553	58,002	78,036	6,521,066	13,032,024	2,587,156	49,043,821										
\$35,000 under \$40,000	738,868	99,579	—	—	37,552	74,738	7,496,504	14,984,363	2,739,378	62,488,463										
\$40,000 under \$45,000	771,484	117,974	*1,724	*190	67,952	72,216	7,958,218	15,907,642	2,786,212	75,455,195										
\$45,000 under \$50,000	700,420	108,402	*3,448	*705	77,726	242,483	7,775,734	15,539,128	2,614,081	80,472,869										
\$50,000 under \$55,000	648,544	107,296	*3,448	*21	53,946	72,157	6,961,105	13,917,877	2,274,410	79,783,607										
\$55,000 under \$60,000	494,006	100,921	—	—	37,456	66,931	5,803,887	11,602,647	1,901,100	74,856,972										
\$60,000 under \$75,000	1,054,890	224,670	—	—	87,894	238,036	11,502,502	22,996,058	3,788,253	178,031,739										
\$75,000 under \$100,000	840,602	256,452	—	—	45,087	79,922	8,342,931	16,680,165	2,798,824	174,039,143										
\$100,000 under \$200,000	637,406	359,279	*2,981	*783	42,510	305,385	5,933,877	11,860,369	1,972,479	198,641,310										
\$200,000 under \$500,000	205,281	279,686	*486	*101	13,313	273,436	1,795,939	3,590,198	597,020	142,241,336										
\$500,000 under \$1,000,000	36,104	87,755	132	352	2,344	69,889	326,341	652,394	113,539	65,598,298										
\$1,000,000 or more	16,999	78,261	89	708	1,679	84,650	155,864	311,582	56,892	130,013,106										
Taxable returns, total	8,415,352	2,116,133	18,764	4,051	670,852	1,773,532	82,445,045	164,784,974	30,409,156	1,377,125,052										
Nontaxable returns, total	352,797	101,412	*1,511	*199	38,656	250,265	3,901,033	7,776,878	159,247	621,352										

Size of adjusted gross income	Income tax before credits		Total tax credits		Income tax after credits		Alternative minimum tax		Total income tax	
	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
	(106)	(107)	(108)	(109)	(110)	(111)	(112)	(113)	(114)	(115)
<b>All returns, total</b> .....	<b>30,579,607</b>	<b>303,389,573</b>	<b>3,945,976</b>	<b>3,027,538</b>	<b>30,418,595</b>	<b>300,362,036</b>	<b>98,825</b>	<b>742,180</b>	<b>30,427,264</b>	<b>301,104,216</b>
Under \$5,000	13,274	3,704	—	—	13,274	3,704	9	3,358	13,275	7,062
\$5,000 under \$10,000	217,805	82,354	*8,894	*962	210,270	81,392	1,899	1,635	210,662	83,027
\$10,000 under \$15,000	683,530	441,612	77,584	25,372	631,312	416,240	967	476	632,279	416,716
\$15,000 under \$20,000	1,307,532	1,466,183	269,061	61,404	1,254,268	1,404,779	164	2,125	1,254,433	1,406,905
\$20,000 under \$25,000	1,860,539	3,041,412	150,191	63,447	1,839,161	2,977,966	381	782	1,839,166	2,978,747
\$25,000 under \$30,000	2,266,638	5,321,772	198,390	77,732	2,255,879	5,244,041	2,239	11,900	2,256,594	5,255,941
\$30,000 under \$35,000	2,587,156	7,914,127	270,803	99,418	2,584,558	7,814,709	1,914	4,045	2,584,636	7,818,754
\$35,000 under \$40,000	2,739,378	10,232,938	302,153	128,721	2,738,527	10,104,217	2,303	5,022	2,738,621	10,109,239
\$40,000 under \$45,000	2,787,126	12,483,321	357,759	152,542	2,782,050	12,330,779	2,114	17,526	2,782,787	12,348,305
\$45,000 under \$50,000	2,614,081	13,518,400	324,920	129,594	2,611,612	13,388,807	1,730	2,275	2,612,570	13,391,082
\$50,000 under \$55,000	2,274,411	13,965,700	335,889	139,424	2,273,919	13,826,276	7,482	19,520	2,274,630	13,845,796
\$55,000 under \$60,000	1,901,100	13,888,187	266,746	119,161	1,899,830	13,769,026	1,266	5,381	1,899,967	13,774,407
\$60,000 under \$75,000	3,788,253	35,542,604	536,373	256,999	3,787,704	35,285,605	9,070	27,635	3,788,975	35,313,240
\$75,000 under \$100,000	2,798,824	38,429,828	406,874	309,321	2,796,793	38,120,507	14,613	33,546	2,797,370	38,154,053
\$100,000 under \$200,000	1,972,479	51,130,219	277,772	356,479	1,972,135	50,773,740	28,654	147,660	1,973,422	50,921,400
\$200,000 under \$500,000	597,047	40,732,637	113,573	395,071	596,940	40,337,566	16,214	161,438	597,303	40,499,004
\$500,000 under \$1,000,000	113,540	18,639,623	29,520	221,196	113,496	18,418,427	4,881	123,227	113,639	18,541,653
\$1,000,000 or more	56,893	36,554,952	19,475	490,697	56,868	36,064,255	2,727	174,630	56,937	36,238,885
Taxable returns, total	30,420,356	303,290,079	3,786,726	2,928,043	30,418,595	300,362,036	98,825	742,180	30,427,264	301,104,216
Nontaxable returns, total	159,251	99,494	159,251	99,494	—	—	—	—	—	—

\* Estimate should be used with caution because of the small number of sample returns on which it is based.  
NOTE: Detail may not add to totals because of rounding.



**Table 2.2—Returns with Itemized Deductions: Sources of Income, Adjustments, Deductions, Credits, and Tax Items, by Marital Status**  
(All figures are estimates based on samples—money amounts are in thousands of dollars)

Item	All returns		Joint returns of husbands and wives		Separate returns of husbands and wives		Returns of heads of households		Returns of surviving spouses		Returns of single persons	
	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
Adjusted gross income less deficit	31,972,317	1,971,231,592	22,492,686	1,574,265,628	660,056	29,886,133	1,846,989	72,297,311	37,245	1,694,086	6,935,341	293,078,434
Salaries and wages	28,118,969	1,411,156,238	20,648,236	1,153,588,513	580,124	19,129,767	1,716,418	56,770,641	29,028	906,039	5,145,163	180,761,278
Taxable interest	28,143,380	119,353,426	20,225,209	81,224,779	467,031	2,818,212	1,421,616	2,855,222	37,245	223,376	5,991,542	32,868,438
Tax exempt interest	2,367,255	30,331,769	1,596,290	20,027,061	35,353	67,616	64,321	504,932	4,820	18,942	666,471	9,102,621
Dividends	12,054,362	58,011,209	8,711,884	37,994,761	172,394	1,354,795	478,377	1,738,457	9,311	50,467	2,682,395	16,872,729
State income tax refunds	14,462,988	8,431,776	10,626,067	6,517,944	230,398	124,231	865,560	392,641	10,008	9,820	2,730,356	1,387,141
Alimony received	218,421	2,294,327	26,730	129,900	2,871	18,199	96,048	1,055,709	—	—	92,772	1,080,519
Business or profession	5,140,243	108,017,254	4,240,426	89,850,495	71,481	1,785,069	160,836	3,017,707	*1,445	*5,650	666,055	13,358,332
Net income	1,608,060	9,484,827	1,314,509	7,706,452	11,268	107,929	55,572	253,720	*854	*2,643	225,856	1,414,083
Net loss	5,862,365	123,957,886	4,279,748	94,499,296	87,279	3,155,596	187,494	3,216,101	4,141	59,283	1,303,703	23,027,611
Sales of capital assets	2,608,388	4,839,312	1,870,868	3,529,080	36,731	42,142	173,886	173,886	*9	*26	595,858	1,094,178
Net loss in AGI	1,007,973	1,219,963	802,117	1,038,348	16,001	-2,387	32,980	71,459	2,211	115	154,664	112,430
Sales of property other than capital assets	1,282,191	7,805,809	944,336	6,182,957	21,578	127,120	58,083	387,354	*1,860	*10,780	256,333	1,097,597
Taxable IRA distribution	6,039,117	63,173,066	4,308,606	47,260,535	85,577	927,305	227,911	1,420,148	12,238	147,398	1,404,786	13,417,680
Pensions and annuities in AGI	2,631,006	22,971,332	1,999,162	17,913,008	42,197	306,036	90,604	598,862	2,137	65,408	496,906	4,088,018
Rent and royalty	3,851,586	24,850,627	2,961,601	19,836,785	41,888	186,203	171,784	944,827	6,609	35,325	669,705	3,845,488
Net loss	201,638	1,919,876	139,609	563,002	4,467	11,667	3,871	3,882	*702	*119	52,990	337,207
Partnership and S Corporation net income less loss	4,049,520	74,096,325	3,180,318	62,369,096	70,569	988,379	121,988	1,893,452	2,453	119,219	674,192	8,726,180
Estate and trust net income less loss	303,603	3,335,844	193,198	1,598,654	3,164	135,870	7,218	194,207	3,162	114,694	96,862	1,292,420
Farm net income less loss	681,211	-1,748,804	594,015	-1,270,386	8,905	-98,160	9,148	-56,874	*1,187	*14,097	67,582	-337,482
Unemployment compensation	1,978,158	3,902,777	1,588,248	3,180,482	26,961	70,000	85,280	153,700	*1,724	*2,956	275,946	495,968
Social Security benefits in AGI	2,170,660	8,903,082	1,350,343	6,165,133	37,315	114,004	34,701	98,505	8,675	21,234	739,627	2,504,206
Other income less loss	3,178,414	15,461,653	2,490,984	12,268,239	39,793	237,453	127,098	686,400	*1,839	*6,727	518,701	2,262,834
Total statutory adjustments	5,058,274	16,405,359	3,727,468	12,174,452	70,363	261,443	243,203	746,510	7,994	14,214	1,009,246	3,208,740
IRA payments, primary taxpayer	2,452,963	3,743,170	1,699,402	2,580,757	41,231	65,871	131,013	199,087	*6,656	*10,449	574,661	887,006
IRA payments, secondary taxpayer	1,330,019	1,723,082	1,330,019	1,723,082	—	—	—	—	—	—	—	—
Payments to a Keogh plan	663,929	5,786,172	539,732	4,852,717	6,144	74,485	28,252	154,522	*145	*2,207	89,656	702,241
Alimony paid	371,381	3,347,686	192,512	1,575,580	14,196	101,367	38,874	349,203	—	—	125,798	1,321,536
Total itemized deductions	31,972,317	430,977,999	22,492,686	333,321,161	660,056	6,330,790	1,846,989	19,008,311	37,245	478,545	6,935,341	71,839,193
Medical and dental expense deduction	5,128,338	20,920,881	3,302,230	10,312,373	95,520	232,567	323,344	723,529	11,993	33,230	1,395,250	9,619,182
Taxes paid deduction	31,392,533	131,299,652	22,318,890	103,680,377	621,782	1,885,111	1,809,279	5,308,994	37,109	139,608	6,605,472	20,285,562
Interest paid deduction	29,437,522	193,186,034	21,516,835	155,157,338	564,337	2,665,827	1,765,545	9,476,482	33,843	224,302	5,556,962	25,662,085
Contributions deduction	29,132,486	55,459,205	21,012,844	43,422,477	546,299	925,059	1,681,587	1,994,497	34,227	49,676	5,857,528	9,067,496
Casualty or theft loss deduction	189,694	1,744,217	118,794	1,321,575	4,762	24,782	13,840	29,709	*4,522	*14,355	47,776	353,796
Moving expense deduction	907,719	3,424,938	659,616	3,086,365	18,628	74,445	37,775	141,410	—	—	191,701	640,853
Total miscellaneous deductions	8,031,155	24,424,938	5,308,076	16,340,657	177,171	522,998	545,040	1,333,690	7,282	17,374	1,993,588	6,210,219
Taxable income	30,568,403	1,377,746,404	21,708,058	1,099,019,770	629,882	21,672,461	17,598,829	45,346,194	30,178	1,017,787	6,440,456	210,690,191
Total tax credits	3,945,976	3,027,538	3,302,001	2,460,756	31,332	81,732	446,378	207,394	4,213	603	162,052	277,052
Child care credit	3,025,989	1,218,095	2,704,337	1,078,183	18,127	9,828	292,336	127,270	*1,749	*174	2,639	9,440
Credit for the elderly or disabled	26,508	4,436	*9,042	*2,083	—	—	*1,358	*512	—	—	16,107	1,841
Foreign tax credit	423,373	1,002,236	311,668	745,352	7,926	61,932	14,490	25,401	*950	*153	88,339	169,398
Earned income credit used to offset income tax before credits	283,862	54,027	120,316	16,727	—	—	162,039	37,129	*1,507	*172	—	—
Minimum tax credit	39,513	32,162	32,162	206,068	—	—	2,270	6,415	—	—	4,830	34,249
General business credit	190,553	417,329	144,218	344,857	3,476	5,050	8,864	9,598	*8	*86	33,967	57,738
Income tax after credits	30,418,595	300,362,036	21,631,608	239,189,994	627,537	5,075,056	1,692,355	8,689,174	28,670	246,092	6,438,425	47,161,720
Alternative minimum tax	98,625	742,180	67,455	541,539	2,038	23,601	3,282	27,589	*8	*1,402	25,842	148,050
Total income tax	30,427,264	301,104,216	21,636,238	239,731,533	627,655	5,098,657	1,693,376	8,716,762	28,670	247,494	6,441,325	47,309,770
Total tax liability	30,856,111	313,127,859	21,928,706	249,588,191	641,784	5,267,340	1,721,429	9,088,506	31,214	258,848	6,532,978	48,923,974
Total tax payments	30,947,282	315,213,002	22,083,329	249,568,642	628,788	5,056,157	1,785,768	10,761,920	35,377	266,175	6,413,659	49,560,109
Income tax withheld	28,405,177	228,688,022	20,750,375	183,798,326	577,608	3,180,683	1,699,958	8,759,513	31,801	153,662	5,345,434	32,795,839
Estimated tax payments	5,623,392	69,355,273	3,790,622	52,059,737	79,792	1,330,471	157,205	1,605,805	5,984	101,007	1,589,789	14,258,254
Overpayment refunded	20,352,973	41,605,162	14,231,088	25,341,585	368,507	441,100	1,468,538	2,536,689	26,692	38,906	4,258,148	6,246,883
Tax due at time of filing	9,849,927	34,039,028	7,240,796	31,901,764	259,214	856,768	320,138	1,016,448	8,751	37,760	2,021,028	7,226,288

\* Estimate should be used with caution because of the small number of sample returns on which it is based.  
† Data pertained to avoid disclosure of information for specific taxpayers. Deleted data are included in the appropriate totals.  
NOTE: Dollar may not add to totals because of rounding.

**Table 2.3—All Returns: Exemptions by Type and Number of Exemptions, by Size of Adjusted Gross Income**

(All figures are estimates based on samples—money amounts are in thousands of dollars)

Size of adjusted gross income	Number of returns	Number of exemptions	Number of exemptions for taxpayers	Exemptions for dependents				
				Total				Total income tax
				Number of returns	Number of exemptions	Adjusted gross income less deficit	Number of returns	
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
<b>All returns, total</b> .....	<b>112,135,873</b>	<b>223,756,252</b>	<b>149,873,381</b>	<b>39,956,594</b>	<b>73,882,691</b>	<b>1,553,291,538</b>	<b>30,195,720</b>	<b>191,879,680</b>
Under \$5,000	17,592,448	14,569,311	10,713,767	2,292,525	3,855,545	- 12,862,151	2,841	44,461
\$5,000 under \$10,000	15,006,777	22,184,737	16,069,611	3,555,316	6,115,126	27,147,526	184,930	34,389
\$10,000 under \$15,000	14,302,945	25,475,201	17,959,692	4,272,746	7,515,509	53,341,735	992,493	388,403
\$15,000 under \$20,000	11,738,291	22,310,767	15,614,707	3,734,630	6,696,060	65,236,224	3,146,795	2,481,827
\$20,000 under \$25,000	9,332,301	19,741,306	13,218,556	3,467,856	6,522,751	77,903,193	3,352,026	4,834,643
\$25,000 under \$30,000	7,615,124	17,294,925	11,503,509	3,085,850	5,791,416	84,897,667	3,027,823	6,289,705
\$30,000 under \$35,000	6,564,097	16,342,233	10,448,389	3,068,157	5,893,845	99,802,800	3,045,440	8,288,258
\$35,000 under \$40,000	5,536,272	14,543,120	9,285,611	2,810,312	5,257,510	105,253,164	2,800,036	9,478,134
\$40,000 under \$45,000	4,550,516	13,260,707	8,333,776	2,546,504	4,926,931	108,073,709	2,537,483	10,204,795
\$45,000 under \$50,000	3,839,757	10,995,867	6,979,845	2,104,507	4,016,022	99,714,909	2,098,853	9,910,318
\$50,000 under \$55,000	3,104,484	9,304,424	5,756,659	1,790,873	3,547,765	93,804,991	1,789,250	10,222,770
\$55,000 under \$60,000	2,401,417	7,106,184	4,504,328	1,370,831	2,601,856	78,749,388	1,368,817	9,289,395
\$60,000 under \$75,000	4,415,440	13,133,615	8,350,900	2,556,399	4,782,715	170,230,777	2,555,244	22,494,917
\$75,000 under \$100,000	3,059,386	8,987,099	5,769,576	1,698,041	3,217,523	144,750,257	1,693,816	21,692,777
\$100,000 under \$200,000	2,090,358	6,190,397	3,905,483	1,186,782	2,284,914	157,219,625	1,185,122	29,148,731
\$200,000 under \$500,000	612,814	1,828,941	1,140,431	333,904	688,510	96,769,902	333,505	21,970,250
\$500,000 under \$1,000,000	115,646	330,337	212,918	56,094	117,419	38,126,445	56,023	9,127,685
\$1,000,000 or more	57,603	157,082	105,606	25,267	51,475	65,131,375	25,223	15,778,222
Taxable returns, total	89,178,355	179,337,335	123,777,349	30,195,720	55,559,986	1,482,220,877	30,195,720	191,679,680
Nontaxable returns, total	22,957,318	44,418,917	26,096,012	9,760,874	18,322,905	71,070,659	—	—

Size of adjusted gross income	Exemptions for dependents—Continued									
	Exemptions for children at home					Exemptions for children away from home				
	Number of returns	Number of exemptions	Adjusted gross income less deficit	Total income tax		Number of returns	Number of exemptions	Adjusted gross income less deficit	Total income tax	
				Number of returns	Amount				Number of returns	Amount
	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)
<b>All returns, total</b> .....	<b>37,650,746</b>	<b>68,230,238</b>	<b>1,480,610,832</b>	<b>28,308,493</b>	<b>182,268,191</b>	<b>931,281</b>	<b>1,380,790</b>	<b>43,872,955</b>	<b>876,838</b>	<b>8,343,355</b>
Under \$5,000	2,194,698	3,640,360	- 12,330,932	2,790	42,693	14,830	19,362	- 379,744	7	*154
\$5,000 under \$10,000	3,229,696	5,412,507	24,551,540	72,051	16,276	45,251	61,554	363,379	23,688	4,778
\$10,000 under \$15,000	3,873,463	6,629,807	48,369,861	684,810	223,144	71,038	125,822	912,710	59,416	41,099
\$15,000 under \$20,000	3,418,507	5,965,236	59,668,618	2,844,402	2,129,636	94,691	135,276	1,666,133	91,772	105,105
\$20,000 under \$25,000	3,244,008	5,955,245	72,883,264	3,129,685	4,421,827	80,129	122,909	1,803,334	80,129	154,268
\$25,000 under \$30,000	2,907,699	5,372,623	79,985,868	2,850,858	5,835,870	80,278	122,377	2,204,056	77,368	186,331
\$30,000 under \$35,000	2,906,834	5,478,066	94,545,657	2,884,117	7,749,991	95,587	143,441	3,100,529	95,587	311,137
\$35,000 under \$40,000	2,691,674	4,958,429	100,798,760	2,681,398	8,941,208	66,528	99,079	2,485,908	66,528	276,929
\$40,000 under \$45,000	2,473,313	4,676,296	104,962,945	2,464,292	9,856,562	63,887	88,226	2,729,435	63,179	290,437
\$45,000 under \$50,000	2,031,474	3,791,472	96,255,502	2,025,820	9,470,751	55,645	85,055	2,625,706	55,645	312,336
\$50,000 under \$55,000	1,736,579	3,393,794	90,972,178	1,734,956	9,849,000	37,662	54,521	1,978,572	37,662	244,990
\$55,000 under \$60,000	1,322,166	2,470,943	75,950,949	1,320,153	8,895,647	29,965	41,654	1,720,816	29,964	226,223
\$60,000 under \$75,000	2,454,588	4,520,890	163,499,426	2,453,433	21,510,077	68,370	94,944	4,552,212	68,370	668,681
\$75,000 under \$100,000	1,634,051	3,015,527	139,235,970	1,629,826	20,781,300	70,642	107,276	6,064,653	70,618	937,484
\$100,000 under \$200,000	1,133,514	2,139,211	150,376,515	1,131,908	27,818,557	42,647	57,812	5,391,684	42,593	1,026,407
\$200,000 under \$500,000	320,808	651,301	93,059,674	320,428	21,142,876	11,241	17,176	3,070,698	11,226	688,723
\$500,000 under \$1,000,000	53,776	110,295	36,536,262	53,707	8,748,755	2,061	2,952	1,380,298	2,060	328,134
\$1,000,000 or more	23,899	48,236	61,288,576	23,859	14,834,021	831	1,353	2,202,575	827	540,136
Taxable returns, total	28,308,493	51,308,793	1,412,062,396	28,308,493	182,268,191	876,638	1,287,389	43,748,401	876,638	6,343,355
Nontaxable returns, total	9,342,253	16,921,445	68,548,236	—	—	54,643	93,401	124,555	—	—

Size of adjusted gross income	Exemptions for dependents—Continued									
	Exemptions for parents					Exemptions for other dependents				
	Number of returns	Number of exemptions	Adjusted gross income less deficit	Total income tax		Number of returns	Number of exemptions	Adjusted gross income less deficit	Total income tax	
				Number of returns	Amount				Number of returns	Amount
	(19)	(20)	(21)	(22)	(23)	(24)	(25)	(26)	(27)	(28)
<b>All returns, total</b> .....	<b>1,448,024</b>	<b>1,659,262</b>	<b>50,827,189</b>	<b>1,127,489</b>	<b>8,044,869</b>	<b>1,878,696</b>	<b>2,812,601</b>	<b>45,994,916</b>	<b>1,138,135</b>	<b>4,550,797</b>
Under \$5,000	48,931	54,476	- 354,943	52	2,216	90,878	141,347	- 118,095	12	*361
\$5,000 under \$10,000	167,638	197,227	1,340,494	38,026	5,572	279,318	443,838	2,238,416	51,165	7,763
\$10,000 under \$15,000	247,461	281,263	3,070,645	150,970	74,317	302,359	478,618	3,753,119	136,224	61,870
\$15,000 under \$20,000	200,580	231,495	3,526,197	171,079	163,994	216,789	364,053	3,831,447	176,968	156,453
\$20,000 under \$25,000	170,875	200,294	3,857,989	162,632	234,104	164,206	244,303	3,640,025	158,178	215,986
\$25,000 under \$30,000	85,567	100,305	2,360,291	83,124	176,849	166,261	196,110	3,884,109	136,699	297,422
\$30,000 under \$35,000	89,308	100,770	2,916,710	86,633	236,996	101,393	171,567	3,299,911	99,669	263,500
\$35,000 under \$40,000	66,242	74,862	2,499,253	65,301	254,567	79,006	125,140	2,946,874	79,006	264,255
\$40,000 under \$45,000	77,575	87,966	3,307,038	75,850	293,549	50,100	74,442	2,111,157	48,375	178,025
\$45,000 under \$50,000	56,826	62,100	2,673,853	56,826	254,459	49,502	77,395	2,337,288	49,502	232,575
\$50,000 under \$55,000	28,813	33,985	1,510,662	28,813	157,388	44,502	65,465	2,331,440	44,502	266,379
\$55,000 under \$60,000	32,111	33,024	1,840,583	32,111	211,016	42,227	56,235	2,433,477	42,227	304,099
\$60,000 under \$75,000	76,802	84,706	5,089,058	76,802	647,219	52,527	82,174	3,514,020	52,527	430,045
\$75,000 under \$100,000	40,783	48,899	3,477,399	40,783	483,265	31,679	45,821	2,742,088	31,542	413,749
\$100,000 under \$200,000	43,618	50,431	5,794,691	43,617	1,009,143	24,291	37,460	3,204,692	24,291	575,130
\$200,000 under \$500,000	11,162	13,200	3,355,854	11,141	735,780	5,963	6,833	1,783,733	5,952	379,642
\$500,000 under \$1,000,000	2,691	3,114	1,753,181	2,689	417,869	793	1,057	565,009	793	137,707
\$1,000,000 or more	1,042	1,144	2,808,233	1,040	686,566	502	742	1,496,208	502	365,835
Taxable returns, total	1,127,489	1,278,604	48,023,739	1,127,489	6,044,869	1,138,135	1,685,199	41,200,868	1,138,135	4,550,797
Nontaxable returns, total	320,534	380,657	2,803,450	—	—	538,561	927,402	4,794,048	—	—

\* Estimate should be used with caution because of the small number of sample returns on which it is based.  
NOTE: Detail may not add to totals because of rounding.

**Table 2.4—All Returns: Exemptions by Type, and Number of Exemptions, by Marital Status**

(All figures are estimates based on samples—money amounts are in thousands of dollars)

Marital status	Number of returns	Number of exemptions	Number of exemptions for taxpayers	Exemptions for dependents				
				Total			Total income tax	
				Number of returns	Number of exemptions	Adjusted gross income less deficit	Number of returns	Amount
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Number of returns	112,135,673	223,756,252	149,873,361	39,956,594	73,882,891	1,553,291,536	30,195,720	191,679,680
Joint returns of husbands and wives	48,076,037	150,234,686	96,145,429	27,449,412	54,089,257	1,320,369,744	23,381,668	171,505,247
Separate returns of husbands and wives								
Total	2,118,193	3,252,163	2,148,561	626,448	1,103,601	15,473,473	519,732	2,166,393
Spouse filing	2,059,622	3,085,616	2,031,420	604,642	1,054,196	14,871,274	502,843	2,092,566
Spouse not filing	58,571	166,546	117,141	21,806	49,405	602,200	16,889	73,827
Returns of heads of households	11,881,607	28,835,482	11,881,607	10,704,357	16,953,875	188,492,638	5,403,673	14,237,868
Returns of surviving spouses	100,374	273,480	100,374	100,374	173,105	2,863,954	62,881	346,297
Returns of single persons	49,959,463	41,160,442	39,597,389	1,076,003	1,563,052	26,091,726	827,766	3,423,875

Marital status	Exemptions for dependents—Continued									
	Exemptions for children at home					Exemptions for children away from home				
	Number of returns	Number of exemptions	Adjusted gross income less deficit	Total income tax		Number of returns	Number of exemptions	Adjusted gross income less deficit	Total income tax	
				Number of returns	Amount				Number of returns	Amount
	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)
Number of returns	37,650,746	68,230,238	1,480,610,632	28,308,493	182,268,191	931,281	1,380,790	43,872,955	876,638	6,343,355
Joint returns of husbands and wives	26,797,179	51,708,276	1,286,294,172	22,814,756	166,478,097	406,140	583,947	26,732,117	399,985	3,894,104
Separate returns of husbands and wives										
Total	567,694	964,491	13,948,069	471,215	1,949,462	33,602	61,910	994,410	30,701	136,975
Spouse filing	547,464	924,196	13,380,492	455,902	1,876,307	33,534	61,841	992,111	30,633	136,945
Spouse not filing	20,230	40,294	567,577	15,313	73,155	*68	*68	*2,300	*68	*30
Returns of heads of households	9,788,055	14,878,306	169,453,326	4,680,879	12,490,717	91,553	128,896	3,147,564	75,556	409,866
Returns of surviving spouses	100,374	166,859	2,863,954	62,881	346,297	*1,507	*1,507	*5,825	—	—
Returns of single persons	397,444	512,306	8,051,111	278,763	1,003,618	398,479	604,531	12,993,039	370,396	1,902,410

Marital status	Exemptions for dependents—Continued									
	Exemptions for parents					Exemptions for other dependents				
	Number of returns	Number of exemptions	Adjusted gross income less deficit	Total income tax		Number of returns	Number of exemptions	Adjusted gross income less deficit	Total income tax	
				Number of returns	Amount				Number of returns	Amount
	(19)	(20)	(21)	(22)	(23)	(24)	(25)	(26)	(27)	(28)
Number of returns	1,448,024	1,659,262	50,827,189	1,127,489	6,044,869	1,676,696	2,612,601	45,994,916	1,138,135	4,550,797
Joint returns of husbands and wives	623,963	726,739	33,660,582	540,559	4,493,024	648,342	1,070,295	27,020,824	492,359	3,123,215
Separate returns of husbands and wives										
Total	9,703	12,853	384,374	9,700	70,554	25,853	64,348	543,398	17,151	71,495
Spouse filing	9,703	12,853	384,374	9,700	70,554	24,346	55,305	511,075	15,644	70,853
Spouse not filing	—	—	—	—	—	*1,507	*9,042	*32,323	*1,507	*642
Returns of heads of households	694,456	777,516	14,702,022	504,730	1,277,407	799,538	1,169,156	14,665,127	497,851	978,671
Returns of surviving spouses	*1,725	*1,725	*76,226	*1,725	*8,995	*1,507	*3,014	*23,206	*1,507	*494
Returns of single persons	118,177	140,429	2,003,985	70,775	194,889	201,456	305,787	3,742,361	129,268	376,922

\* Estimate should be used with caution because of the small number of sample returns on which it is based.

NOTE: Detail may not add to totals because of rounding.

**Table 3.1—Returns with Modified Taxable Income: Adjusted Gross Income, and Tax Items, by Type of Tax Computation by Size of Adjusted Gross Income**

(All figures are estimates based on samples—money amounts are in thousands of dollars)

Type of tax computation by size of adjusted gross income	Number of returns	Adjusted gross income	Taxable income	Modified taxable income	Income tax before credits, regular computation		Tax generated		Income tax before credits	
					Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
<b>Returns with regular tax computation only</b>										
<b>Total .....</b>	<b>91,731,925</b>	<b>3,186,397,926</b>	<b>2,163,554,278</b>	<b>2,167,448,151</b>	<b>91,726,869</b>	<b>434,018,270</b>	<b>91,731,925</b>	<b>434,049,352</b>	<b>91,731,925</b>	<b>435,712,570</b>
Under \$5,000	4,690,281	12,420,797	3,011,339	3,011,682	4,685,226	449,801	4,690,281	452,531	4,690,281	452,817
\$5,000 under \$10,000	9,799,640	73,864,739	23,776,914	23,728,686	9,799,640	3,555,241	9,799,640	3,559,943	9,799,640	3,563,124
\$10,000 under \$15,000	12,683,475	158,526,918	68,533,624	68,482,863	12,683,475	10,266,294	12,683,475	10,272,481	12,683,475	10,295,617
\$15,000 under \$20,000	11,447,144	199,632,294	106,978,187	106,910,951	11,447,144	16,031,840	11,447,144	16,037,360	11,447,144	16,108,211
\$20,000 under \$25,000	9,205,653	206,159,064	122,223,256	122,204,647	9,205,653	18,407,340	9,205,653	18,411,518	9,205,653	18,502,376
\$25,000 under \$30,000	7,556,338	207,585,930	131,835,000	131,840,817	7,556,338	20,892,614	7,556,338	20,895,004	7,556,338	20,952,201
\$30,000 under \$40,000	12,047,242	418,400,909	277,998,375	278,020,674	12,047,242	45,595,766	12,047,242	45,599,882	12,047,242	46,075,904
\$40,000 under \$50,000	8,547,062	381,803,663	262,611,499	262,660,674	8,547,062	44,234,169	8,547,062	44,235,913	8,547,062	44,336,976
\$50,000 under \$75,000	9,874,507	591,623,161	423,323,871	423,423,821	9,874,507	81,348,724	9,874,507	81,348,821	9,874,507	81,594,452
\$75,000 under \$100,000	3,040,151	259,486,756	192,082,302	192,165,726	3,040,151	42,578,776	3,040,151	42,578,512	3,040,151	42,759,914
\$100,000 under \$200,000	2,065,645	273,132,102	210,235,513	210,557,386	2,065,645	54,141,462	2,065,645	54,141,360	2,065,645	54,275,508
\$200,000 under \$500,000	603,761	176,529,441	144,571,966	147,063,662	603,761	41,251,255	603,761	41,251,084	603,761	41,392,778
\$500,000 under \$1,000,000	114,168	77,507,212	66,169,214	66,839,725	114,168	18,714,712	114,168	18,714,681	114,168	18,797,970
\$1,000,000 or more	56,857	149,724,880	130,203,218	130,537,429	56,857	36,550,276	56,857	36,550,262	56,857	36,604,721
<b>Returns with Form 8615 tax computation only</b>										
<b>Total .....</b>	<b>351,582</b>	<b>1,404,509</b>	<b>1,188,425</b>	<b>1,203,466</b>	<b>351,582</b>	<b>207,274</b>	<b>351,582</b>	<b>311,155</b>	<b>351,582</b>	<b>332,562</b>
Under \$5,000	288,113	568,632	423,757	427,221	288,113	63,242	288,113	95,058	288,113	95,058
\$5,000 under \$10,000	46,397	337,641	302,478	302,478	46,397	45,362	46,397	80,946	46,397	102,353
\$10,000 under \$15,000	*6,964	*81,932	*77,953	*77,953	*6,964	*11,684	*6,964	*18,925	*6,964	*18,925
\$15,000 under \$20,000	*1,507	*29,125	*28,372	*28,372	*1,507	*4,310	*1,507	*7,849	*1,507	*7,849
\$20,000 under \$25,000	*3,014	*65,551	*64,044	*64,044	*3,014	*10,667	*3,014	*18,479	*3,014	*18,479
\$25,000 under \$30,000	*1,507	*40,731	*37,827	*39,224	*1,507	*6,969	*1,507	*17,681	*1,507	*17,681
\$30,000 under \$40,000	*1,724	*53,398	*52,536	*52,536	*1,724	*10,553	*1,724	*14,623	*1,724	*14,623
\$40,000 under \$50,000	—	—	—	—	—	—	—	—	—	—
\$50,000 under \$75,000	—	—	—	—	—	—	—	—	—	—
\$75,000 under \$100,000	*2,258	*194,826	*171,910	*179,763	*2,258	*46,213	*2,258	*49,313	*2,258	*49,313
\$100,000 under \$200,000	*72	*13,654	*12,231	*13,453	*72	*3,425	*72	*3,426	*72	*3,426
\$200,000 under \$500,000	—	—	—	—	—	—	—	—	—	—
\$500,000 under \$1,000,000	*25	*19,019	*17,319	*18,424	*25	*4,850	*25	*4,855	*25	*4,855
\$1,000,000 or more	**	**	**	**	**	**	**	**	**	**
<b>Returns with regular tax computation only</b>										
<b>Total .....</b>	<b>11,991,193</b>	<b>6,059,838</b>	<b>88,652,569</b>	<b>429,652,732</b>	<b>98,724</b>	<b>680,406</b>	<b>88,655,777</b>	<b>430,333,138</b>	<b>19.9</b>	<b>13.5</b>
Under \$5,000	*8,993	*1,052	4,687,839	451,765	*3,014	*196	4,687,839	451,961	15.0	3.6
\$5,000 under \$10,000	622,264	97,847	9,262,797	3,465,277	—	—	9,262,797	3,465,277	14.6	4.7
\$10,000 under \$15,000	2,746,589	1,008,678	10,628,306	9,286,939	*68	*1,032	10,628,306	9,287,970	13.6	5.9
\$15,000 under \$20,000	2,870,152	833,701	11,054,072	15,274,510	*1,186	*8,674	11,054,072	15,283,184	14.3	7.7
\$20,000 under \$25,000	744,315	339,870	9,163,799	18,162,506	*376	*438	9,163,799	18,162,944	14.9	8.8
\$25,000 under \$30,000	612,864	259,160	7,536,762	20,693,041	*1,591	*10,960	7,536,830	20,704,001	15.7	10.0
\$30,000 under \$40,000	1,220,132	542,172	12,031,674	45,533,732	4,255	7,909	12,031,883	45,541,641	16.4	10.9
\$40,000 under \$50,000	950,381	409,126	8,538,445	43,927,850	3,526	14,024	8,539,517	43,941,874	16.7	11.5
\$50,000 under \$75,000	1,331,980	627,757	9,871,716	80,966,695	17,087	46,577	9,872,196	81,013,272	19.1	13.7
\$75,000 under \$100,000	434,346	332,722	3,037,777	42,427,191	15,363	35,328	3,038,599	42,462,519	22.1	16.4
\$100,000 under \$200,000	286,732	431,788	2,064,816	53,843,720	28,960	129,557	2,065,302	53,973,277	25.6	19.8
\$200,000 under \$500,000	113,611	431,707	603,625	40,961,071	15,861	148,047	603,645	41,109,118	28.0	23.3
\$500,000 under \$1,000,000	29,480	237,410	114,116	18,560,560	4,772	112,582	114,151	18,673,142	27.9	24.1
\$1,000,000 or more	19,354	506,846	56,825	36,097,875	2,666	165,082	56,843	36,262,958	27.8	24.2
<b>Returns with Form 8615 tax computation only</b>										
<b>Total .....</b>	<b>*3,074</b>	<b>*2,756</b>	<b>351,582</b>	<b>329,807</b>	<b>*6,028</b>	<b>*711</b>	<b>351,582</b>	<b>330,518</b>	<b>27.5</b>	<b>23.5</b>
Under \$5,000	*936	*13	288,113	95,044	*4,521	*502	288,113	95,546	22.4	16.8
\$5,000 under \$10,000	—	—	46,397	102,353	*1,507	*209	46,397	102,563	33.9	30.4
\$10,000 under \$15,000	*936	*10	*6,964	*18,915	—	—	*6,964	*18,915	*24.3	*23.1
\$15,000 under \$20,000	—	—	*1,507	*7,849	—	—	*1,507	*7,849	*27.7	*26.9
\$20,000 under \$25,000	—	—	*3,014	*18,479	—	—	*3,014	*18,479	*28.9	*28.2
\$25,000 under \$30,000	—	—	*1,507	*17,681	—	—	*1,507	*17,681	*45.1	*43.4
\$30,000 under \$40,000	—	—	*1,724	*14,623	—	—	*1,724	*14,623	*27.8	*27.4
\$40,000 under \$50,000	—	—	—	—	—	—	—	—	—	—
\$50,000 under \$75,000	—	—	—	—	—	—	—	—	—	—
\$75,000 under \$100,000	*1,129	*1,043	*2,258	*48,269	—	—	*2,258	*48,269	*26.9	*24.8
\$100,000 under \$200,000	*73	*1,689	*72	*1,915	—	—	*72	*1,915	*14.2	*14.0
\$200,000 under \$500,000	—	—	—	—	—	—	—	—	—	—
\$500,000 under \$1,000,000	—	—	*25	*4,677	—	—	*25	*4,677	*25.4	*24.5
\$1,000,000 or more	**	**	**	**	—	—	**	**	**	**

\* Estimate should be used with caution because of the small number of sample returns on which it is based

\*\* Data combined to avoid disclosure of information for specific taxpayers

NOTE: Detail may not add to totals because of rounding

**Table 3.2—Returns with Total Income Tax: Total Income Tax as a Percentage of Adjusted Gross Income, by Size of Adjusted Gross Income**

(All figures are estimates based on samples—money amounts are in thousands of dollars)

Size of adjusted gross income	Total income tax as a percentage of adjusted gross income								
	Total			Under 5 percent			5 under 7 percent		
	Number of returns	Adjusted gross income less deficit	Total income tax	Number of returns	Adjusted gross income less deficit	Total income tax	Number of returns	Adjusted gross income less deficit	Total income tax
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
<b>All returns</b>	<b>89,178,355</b>	<b>3,158,293,754</b>	<b>432,839,998</b>	<b>15,153,818</b>	<b>179,420,519</b>	<b>5,281,518</b>	<b>9,917,538</b>	<b>182,267,668</b>	<b>11,130,291</b>
Under \$5,000	4,996,843	10,050,838	666,571	3,453,530	9,513,035	219,284	570,578	1,417,158	79,067
\$5,000 under \$10,000	9,324,913	69,632,105	3,584,847	4,595,844	31,239,948	866,927	3,091,028	25,074,536	1,516,133
\$10,000 under \$15,000	10,643,030	133,270,785	9,323,866	2,817,080	35,751,474	947,898	773,164	9,670,748	572,232
\$15,000 under \$20,000	11,058,757	193,259,475	15,295,442	2,236,031	38,517,233	1,149,634	2,013,592	34,854,882	2,118,566
\$20,000 under \$25,000	9,173,782	205,473,198	18,193,167	960,455	21,335,360	704,598	1,276,569	28,668,397	1,749,743
\$25,000 under \$30,000	7,541,919	207,195,437	20,726,836	441,955	12,017,611	420,443	712,352	19,533,078	1,199,598
\$30,000 under \$40,000	12,046,515	418,392,529	45,597,597	379,587	13,018,468	436,408	839,482	28,783,386	1,785,109
\$40,000 under \$50,000	8,560,180	382,362,994	44,034,240	127,798	5,735,794	185,150	388,623	17,286,639	1,066,043
\$50,000 under \$75,000	9,905,916	593,569,941	81,250,313	98,677	5,921,970	184,578	214,992	12,541,364	778,110
\$75,000 under \$100,000	3,053,791	260,645,078	42,671,702	23,211	1,967,197	61,694	26,240	2,248,053	135,347
\$100,000 under \$200,000	2,087,727	275,945,659	54,471,932	14,183	1,898,523	46,660	8,921	1,091,999	64,079
\$200,000 or more	784,982	408,495,716	97,123,485	5,466	2,503,906	68,244	1,997	1,097,428	66,263
<b>Joint returns</b>	<b>41,484,854</b>	<b>2,178,430,855</b>	<b>306,529,699</b>	<b>5,130,800</b>	<b>102,839,317</b>	<b>3,143,177</b>	<b>4,450,960</b>	<b>121,141,695</b>	<b>7,426,153</b>
Under \$5,000	14,419	2,313,808	75,693	*4,829	*22,062	*308	—	—	—
\$5,000 under \$10,000	145,694	1,361,105	26,006	130,124	1,244,320	6,429	*3,419	*26,517	*1,554
\$10,000 under \$15,000	2,119,353	26,884,973	858,852	1,903,837	23,805,390	660,089	205,315	2,949,678	159,579
\$15,000 under \$20,000	3,409,652	60,110,994	3,066,943	1,450,142	25,261,554	737,971	1,342,754	23,222,752	1,418,774
\$20,000 under \$25,000	3,797,609	65,511,627	5,861,251	723,872	16,117,458	536,931	1,001,644	22,598,417	1,379,257
\$25,000 under \$30,000	3,830,425	105,549,219	8,466,488	369,125	10,055,488	352,092	592,867	16,281,469	998,693
\$30,000 under \$40,000	7,589,457	265,375,511	24,062,833	318,756	10,933,444	370,324	714,687	24,585,996	1,524,738
\$40,000 under \$50,000	6,701,307	300,191,267	31,124,549	110,078	4,921,187	164,359	356,555	15,867,777	983,693
\$50,000 under \$75,000	8,682,721	521,491,284	68,471,820	82,640	4,971,216	155,200	199,701	11,647,116	724,104
\$75,000 under \$100,000	2,706,927	230,825,990	36,616,604	19,061	1,620,104	55,677	25,040	2,150,450	129,667
\$100,000 under \$200,000	1,815,100	239,669,199	46,219,158	13,384	1,805,089	44,655	7,509	926,805	53,093
\$200,000 or more	672,189	343,773,295	81,679,501	4,953	2,082,006	59,143	1,470	885,343	53,340
<b>Single returns</b>	<b>39,621,683</b>	<b>758,806,290</b>	<b>101,748,895</b>	<b>8,103,937</b>	<b>46,771,788</b>	<b>1,309,665</b>	<b>4,289,038</b>	<b>37,914,517</b>	<b>2,308,911</b>
Under \$5,000	4,948,579	12,567,839	579,909	3,422,606	9,408,469	217,238	566,057	1,398,538	77,917
\$5,000 under \$10,000	8,830,882	65,586,443	3,455,471	4,227,046	28,229,720	819,406	3,029,493	24,516,427	1,482,185
\$10,000 under \$15,000	7,449,387	92,239,191	7,859,288	234,986	2,878,367	86,582	420,102	4,892,245	308,133
\$15,000 under \$20,000	5,654,044	98,364,055	10,047,013	82,680	1,436,474	49,491	105,807	1,824,570	111,005
\$20,000 under \$25,000	3,846,913	85,859,329	9,549,627	50,492	1,130,733	32,994	67,981	1,498,016	92,691
\$25,000 under \$30,000	2,738,980	75,001,941	9,734,004	23,294	627,623	21,639	36,452	977,667	61,881
\$30,000 under \$40,000	3,249,721	111,448,693	16,981,212	34,849	1,192,978	37,826	38,470	1,309,902	82,778
\$40,000 under \$50,000	1,392,856	61,653,862	10,241,722	*10,627	*494,743	*11,441	12,878	592,819	34,615
\$50,000 under \$75,000	937,960	55,271,566	10,175,985	12,380	738,794	21,043	*8,889	*515,337	*30,974
\$75,000 under \$100,000	265,070	22,778,845	4,713,521	4,013	*35,228	5,870	*1,000	*97,604	*5,660
\$100,000 under \$200,000	221,661	29,566,611	6,836,896	593	69,491	1,578	*1,343	*153,340	*10,329
\$200,000 or more	85,611	48,467,914	11,574,248	371	229,169	4,558	365	138,051	8,745

Size of adjusted gross income	Total income tax as a percentage of adjusted gross income—Continued								
	7 under 10 percent			10 under 12 percent			12 under 15 percent		
	Number of returns	Adjusted gross income less deficit	Total income tax	Number of returns	Adjusted gross income less deficit	Total income tax	Number of returns	Adjusted gross income less deficit	Total income tax
	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)
<b>All returns</b>	<b>25,184,900</b>	<b>632,714,259</b>	<b>55,063,520</b>	<b>16,840,549</b>	<b>518,319,819</b>	<b>56,595,057</b>	<b>10,413,616</b>	<b>497,375,947</b>	<b>87,108,188</b>
Under \$5,000	432,378	749,774	63,298	211,728	444,068	48,846	185,487	541,709	69,527
\$5,000 under \$10,000	1,426,258	11,670,042	936,058	77,519	667,192	68,937	84,611	617,914	84,581
\$10,000 under \$15,000	6,715,716	83,727,662	7,305,273	288,404	3,532,938	386,178	36,021	428,749	58,956
\$15,000 under \$20,000	2,191,606	38,545,521	3,284,400	4,548,460	80,117,562	8,519,411	57,491	1,010,476	130,752
\$20,000 under \$25,000	3,262,949	73,452,248	6,204,640	3,109,555	68,550,668	7,761,732	538,948	12,901,297	1,606,225
\$25,000 under \$30,000	3,067,967	83,938,828	7,341,256	1,062,860	29,804,734	3,137,119	2,080,411	56,787,782	7,778,398
\$30,000 under \$40,000	4,231,219	146,416,885	12,846,811	3,486,073	122,776,664	13,273,368	954,546	33,025,977	4,445,699
\$40,000 under \$50,000	2,508,617	111,495,370	9,843,465	2,336,122	103,111,207	11,279,660	2,028,212	92,758,421	12,242,148
\$50,000 under \$75,000	1,213,080	68,764,783	6,008,149	1,504,198	87,321,724	9,686,382	3,544,492	211,009,038	28,556,712
\$75,000 under \$100,000	104,362	8,675,588	771,262	165,423	13,962,357	1,541,618	695,967	58,342,927	8,020,106
\$100,000 under \$200,000	26,332	3,283,190	287,175	46,157	5,650,946	628,855	194,707	23,557,754	3,243,246
\$200,000 or more	4,416	1,994,349	171,732	4,051	2,379,858	262,952	12,724	6,393,903	871,838
<b>Joint returns</b>	<b>12,534,551</b>	<b>440,119,351</b>	<b>38,251,971</b>	<b>7,115,426</b>	<b>314,626,913</b>	<b>34,298,533</b>	<b>5,874,782</b>	<b>359,524,925</b>	<b>46,466,048</b>
Under \$5,000	—	—	—	—	—	—	—	—	—
\$5,000 under \$10,000	*1,507	*12,816	*1,070	—	—	—	*2,865	*21,888	*3,019
\$10,000 under \$15,000	*1,507	*19,360	*1,561	—	—	—	*3,014	*35,862	*4,990
\$15,000 under \$20,000	609,700	11,506,925	866,454	*1,507	*25,707	*3,083	*1,509	*23,857	*3,166
\$20,000 under \$25,000	2,060,354	46,535,280	3,857,871	*3,014	*64,621	*7,119	—	—	—
\$25,000 under \$30,000	2,396,697	65,606,739	5,718,081	468,470	13,516,923	1,380,246	*370	*9,974	*1,288
\$30,000 under \$40,000	3,760,865	130,530,147	11,460,845	2,788,994	99,111,644	10,672,487	*4,322	*144,741	*19,121
\$40,000 under \$50,000	2,406,573	107,009,903	9,442,929	2,183,800	96,434,300	10,540,097	1,634,722	75,513,572	9,877,044
\$50,000 under \$75,000	1,176,119	66,642,048	5,818,852	1,459,018	84,736,278	9,402,878	3,365,425	200,719,132	27,146,707
\$75,000 under \$100,000	94,696	7,855,375	704,651	165,353	13,956,937	1,540,976	668,220	56,066,041	7,702,669
\$100,000 under \$200,000	22,518	2,769,517	240,314	42,018	5,034,410	559,380	184,447	22,235,072	3,059,327
\$200,000 or more	4,014	1,631,243	139,342	3,253	1,748,093	192,266	9,868	4,754,787	648,717
<b>Single returns</b>	<b>10,248,228</b>	<b>135,578,079</b>	<b>11,874,116</b>	<b>8,381,289</b>	<b>185,775,223</b>	<b>18,183,675</b>	<b>3,898,878</b>	<b>112,380,596</b>	<b>15,238,157</b>
Under \$5,000	430,871	743,783	62,855	210,220	440,075	48,387	185,487	541,709	69,527
\$5,000 under \$10,000	1,385,217	11,294,274	907,626	74,505	643,089	66,415	81,745	596,026	81,562
\$10,000 under \$15,000	6,516,081	81,280,131	7,090,483	230,754	2,729,354	301,626	31,499	374,586	51,767
\$15,000 under \$20,000	1,098,089	18,145,091	1,685,170	4,317,362	76,073,770	8,077,477	44,077	771,082	99,323
\$20,000 under \$25,000	325,460	7,257,024	642,751	2,925,885	64,430,764	7,317,376	465,031	11,274,814	1,394,474
\$25,000 under \$30,000	237,091	6,510,710	584,995	286,692	7,785,136	853,088	2,023,973	55,218,673	7,566,676
\$30,000 under \$40,000	190,835	6,475,417	559,099	236,750	8,042,061	897,575	694,574	23,618,883	3,217,325
\$40,000 under \$50,000	35,879	1,570,025	141,580	68,140	3,011,952	332,129	246,294	10,824,805	1,494,052
\$50,000 under \$75,000	17,529	1,061,435	95,286	26,219	1,511,949	164,723	102,805	5,922,666	820,432
\$75,000 under \$100,000	9,033	762,534	62,156	*71	*5,420	*642	14,331	1,174,883	162,807
\$100,000 under \$200,000	1,844	272,907	23,963	4,068	602,284	67,964	6,613	856,410	117,253
\$200,000 or more	298	204,748	18,151	622	499,370	56,273	2,246	1,206,061	163,958

Footnote(s) at end of table

**Table 3.2—Returns with Total Income Tax: Total Income Tax as a Percentage of Adjusted Gross Income, by Size of Adjusted Gross Income—Continued**

(All figures are estimates based on samples—money amounts are in thousands of dollars)

Size of adjusted gross income	Total income tax as a percentage of adjusted gross income—Continued								
	15 under 17 percent			17 under 25 percent			25 under 30 percent		
	Number of returns (19)	Adjusted gross income less deficit (20)	Total income tax (21)	Number of returns (22)	Adjusted gross income less deficit (23)	Total income tax (24)	Number of returns (25)	Adjusted gross income less deficit (26)	Total income tax (27)
<b>All returns</b>	<b>4,978,050</b>	<b>288,471,976</b>	<b>46,086,643</b>	<b>6,074,948</b>	<b>652,539,429</b>	<b>134,950,207</b>	<b>545,708</b>	<b>205,606,016</b>	<b>54,019,696</b>
Under \$5,000	38,292	74,339	11,846	82,304	233,519	50,230	*9,042	*34,861	*9,101
\$5,000 under \$10,000	*10,079	*71,093	*11,363	*10,549	*69,843	*15,303	22,606	170,200	46,194
\$10,000 under \$15,000	*1,358	*19,509	*3,016	*4,200	*55,378	*11,806	*4,003	*43,963	*11,903
\$15,000 under \$20,000	*1,528	*30,142	*4,558	*3,014	*54,172	*12,200	*1,507	*29,125	*7,849
\$20,000 under \$25,000	*9,042	*204,724	*31,968	*7,535	*166,934	*31,041	*3,014	*65,551	*18,479
\$25,000 under \$30,000	160,372	4,667,798	715,007	*10,320	*291,710	*54,576	—	—	—
\$30,000 under \$40,000	1,466,744	48,882,740	7,829,679	683,512	25,295,581	4,484,432	*1,795	*55,988	*15,311
\$40,000 under \$50,000	334,625	14,835,218	2,377,792	830,957	36,905,651	6,920,036	*2,637	*121,607	*32,909
\$50,000 under \$75,000	1,943,183	120,055,898	19,107,737	1,365,750	86,626,083	16,465,888	10,802	687,890	182,455
\$75,000 under \$100,000	760,706	64,536,644	10,335,486	1,228,636	106,458,900	20,498,617	46,185	4,184,717	1,075,131
\$100,000 under \$200,000	237,101	28,727,431	4,632,829	1,392,995	186,723,970	38,917,200	162,299	24,302,904	6,337,291
\$200,000 or more	15,019	6,366,440	1,025,364	455,176	209,657,687	47,488,879	281,817	175,909,213	46,283,072
<b>Joint returns</b>	<b>2,761,014</b>	<b>205,568,314</b>	<b>32,835,144</b>	<b>3,270,862</b>	<b>476,886,467</b>	<b>99,378,269</b>	<b>308,201</b>	<b>157,017,691</b>	<b>41,202,745</b>
Under \$5,000	*1,507	*5,817	*934	—	—	—	—	—	—
\$5,000 under \$10,000	*2,865	*23,897	*3,700	*3,014	*16,660	*3,109	—	—	—
\$10,000 under \$15,000	*1,358	*19,509	*3,016	*1,186	*14,113	*2,830	*53	*718	*183
\$15,000 under \$20,000	*21	*372	*58	—	—	—	—	—	—
\$20,000 under \$25,000	—	—	—	*4,521	*100,534	*19,149	—	—	—
\$25,000 under \$30,000	*1,358	*39,085	*6,434	*1,507	*38,737	*9,297	—	—	—
\$30,000 under \$40,000	—	—	—	*1,724	*65,574	*13,529	—	—	—
\$40,000 under \$50,000	*2,637	*126,496	*20,672	*3,597	*162,392	*31,015	*2,637	*121,607	*32,909
\$50,000 under \$75,000	1,775,760	110,329,874	17,546,161	610,897	41,645,634	7,407,730	*5,292	*311,210	*83,968
\$75,000 under \$100,000	737,270	62,534,489	10,012,053	993,778	86,333,202	16,228,884	*1,156	*103,663	*28,704
\$100,000 under \$200,000	225,262	27,356,917	4,412,910	1,251,326	167,884,931	34,741,767	65,835	11,284,369	2,911,227
\$200,000 or more	12,974	5,131,858	829,207	399,311	180,624,689	40,920,959	233,227	145,196,124	38,145,755
<b>Single returns</b>	<b>1,874,075</b>	<b>71,273,938</b>	<b>11,395,308</b>	<b>2,487,441</b>	<b>148,554,056</b>	<b>29,992,767</b>	<b>211,315</b>	<b>39,755,696</b>	<b>10,466,290</b>
Under \$5,000	36,785	68,522	10,911	82,304	233,519	50,230	*9,042	*34,861	*9,101
\$5,000 under \$10,000	*7,214	*47,196	*7,662	*7,535	*53,182	*12,194	22,606	170,200	46,194
\$10,000 under \$15,000	—	—	—	*3,014	*41,265	*8,976	*3,950	*43,245	*11,721
\$15,000 under \$20,000	*1,507	*29,770	*4,500	*3,014	*54,172	*12,200	*1,507	*29,125	*7,849
\$20,000 under \$25,000	*6,028	*133,910	*20,870	*1,507	*35,765	*6,167	*3,014	*65,551	*18,479
\$25,000 under \$30,000	125,826	3,729,040	565,643	—	—	—	—	—	—
\$30,000 under \$40,000	1,425,061	47,403,217	7,590,450	623,941	23,217,373	4,102,218	*1,795	*55,988	*15,311
\$40,000 under \$50,000	241,932	10,659,093	1,715,639	775,246	34,422,225	6,457,383	—	—	—
\$50,000 under \$75,000	107,445	6,237,295	1,005,075	657,294	38,949,392	7,895,927	*2,544	*183,399	*48,981
\$75,000 under \$100,000	13,409	1,147,108	182,949	182,416	15,551,990	3,347,210	40,598	3,704,079	946,226
\$100,000 under \$200,000	7,139	855,609	138,699	109,207	14,535,043	3,239,952	88,722	11,898,695	3,123,465
\$200,000 or more	1,730	963,174	152,911	41,963	21,460,130	4,860,331	37,537	23,570,554	6,238,962

Size of adjusted gross income	Total income tax as a percentage of adjusted gross income—Continued								
	30 under 50 percent			50 under 100 percent			100 percent or more		
	Number of returns (28)	Adjusted gross income less deficit (29)	Total income tax (30)	Number of returns (31)	Adjusted gross income less deficit (32)	Total income tax (33)	Number of returns (34)	Adjusted gross income less deficit (35)	Total income tax (36)
<b>All returns</b>	<b>30,777</b>	<b>3,286,094</b>	<b>1,186,990</b>	<b>23,250</b>	<b>1,030,432</b>	<b>727,903</b>	<b>15,202</b>	<b>-2,738,507</b>	<b>799,984</b>
Under \$5,000	*1,507	*1,861	*659	*3,014	*9,635	*6,345	8,984	-2,969,120	108,369
\$5,000 under \$10,000	*3,383	*31,085	*9,556	*1,528	*11,477	*5,800	*1,509	*8,774	*23,996
\$10,000 under \$15,000	—	—	—	*3,015	*39,505	*25,561	*68	*839	*1,042
\$15,000 under \$20,000	*3,884	*75,772	*31,280	*1,643	*32,007	*20,656	*1,517	*30,027	*31,166
\$20,000 under \$25,000	—	—	—	*4,200	*90,575	*69,710	—	—	—
\$25,000 under \$30,000	*4,174	*111,812	*42,320	*1,508	*42,083	*38,119	—	—	—
\$30,000 under \$40,000	*1,804	*68,976	*33,163	*26	*905	*566	*1,727	*66,960	*447,051
\$40,000 under \$50,000	*25	*1,025	*385	*2,426	*106,046	*80,259	*1,139	*6,016	*6,393
\$50,000 under \$75,000	7,245	456,007	159,260	*3,490	*184,802	*119,891	*7	*381	*1,151
\$75,000 under \$100,000	*1,099	*101,051	*32,857	*801	*63,087	*39,706	*1,160	*104,556	*159,877
\$100,000 under \$200,000	4,147	583,901	203,045	*1,600	*450,309	*321,299	*92	*13,061	*20,938
\$200,000 or more	3,509	1,854,604	654,462	—	—	—	—	—	—
<b>Joint returns</b>	<b>15,449</b>	<b>2,250,738</b>	<b>802,631</b>	<b>14,918</b>	<b>683,720</b>	<b>472,186</b>	<b>7,914</b>	<b>-2,230,475</b>	<b>252,842</b>
Under \$5,000	—	—	—	*3,035	*18,797	*10,939	*6,578	*2,348,995	*69,390
\$5,000 under \$10,000	*369	*3,518	*1,247	—	—	—	—	—	—
\$10,000 under \$15,000	—	—	—	*3,015	*39,505	*25,561	*68	*839	*1,042
\$15,000 under \$20,000	*2,371	*38,373	*16,585	*1,643	*32,007	*20,656	*99	*144	*422
\$20,000 under \$25,000	*1,507	*37,284	*14,662	*2,693	*57,959	*46,036	—	—	—
\$25,000 under \$30,000	*30	*804	*357	—	—	—	—	—	—
\$30,000 under \$40,000	*80	*2,942	*992	*26	*905	*566	*4	*119	*591
\$40,000 under \$50,000	*4	*170	*62	*702	*33,762	*31,403	*3	*101	*365
\$50,000 under \$75,000	*6,101	*390,851	*133,294	*1,765	*97,663	*51,917	*5	*261	*1,008
\$75,000 under \$100,000	*392	*38,088	*13,722	*801	*63,087	*39,706	*1,160	*104,556	*159,877
\$100,000 under \$200,000	2,144	275,842	104,145	*1,237	*340,034	*245,401	*88	*12,500	*20,145
\$200,000 or more	2,450	1,462,866	517,563	—	—	—	—	—	—
<b>Single returns</b>	<b>13,825</b>	<b>780,065</b>	<b>272,705</b>	<b>6,195</b>	<b>265,991</b>	<b>199,034</b>	<b>5,565</b>	<b>-223,659</b>	<b>509,248</b>
Under \$5,000	*1,507	*1,861	*659	*1,507	*2,315	*1,206	2,193	-305,813	31,879
\$5,000 under \$10,000	*3,020	*27,681	*8,344	—	—	—	*1,508	*8,784	*24,033
\$10,000 under \$15,000	—	—	—	—	—	—	—	—	—
\$15,000 under \$20,000	—	—	—	—	—	—	—	—	—
\$20,000 under \$25,000	—	—	—	*1,507	*32,616	*23,674	—	—	—
\$25,000 under \$30,000	*4,143	*111,008	*41,963	*1,508	*42,083	*38,119	—	—	—
\$30,000 under \$40,000	*1,724	*66,034	*32,170	—	—	—	*1,724	*66,841	*446,460
\$40,000 under \$50,000	—	—	—	*3,449	*159,423	*116,830	*137	*5,968	*6,083
\$50,000 under \$75,000	*1,129	*64,106	*25,515	—	—	—	—	—	—
\$75,000 under \$100,000	—	—	—	—	—	—	—	—	—
\$100,000 under \$200,000	*1,929	*294,434	*94,719	*221	*27,838	*18,181	*4	*560	*793
\$200,000 or more	473	194,942	69,334	*3	*1,716	*1,025	—	—	—

\* Estimate should be used with caution because of the small number of sample returns on which it is based.

\*\* Data combined to avoid disclosure of information for specific taxpayers.

NOTE: Data may not add to totals because of rounding.

Table 3.3—All Returns: Tax Liability, Tax Credits and Taxpayments, by Size of Adjusted Gross Income

(All figures are estimates based on samples—money amounts are in thousands of dollars)

Size of adjusted gross income	All returns	Total tax liability		Tax credits							
		Number of returns	Amount	Total		Child care credit		Credit for the elderly or disabled		Earned income credit used to offset income tax before credits	
				Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	
<b>All returns, total</b> .....	<b>112,135,673</b>	<b>91,065,351</b>	<b>451,872,888</b>	<b>12,034,697</b>	<b>6,131,134</b>	<b>6,028,094</b>	<b>2,439,471</b>	<b>319,758</b>	<b>64,490</b>	<b>5,339,062</b>	<b>1,379,528</b>
No adjusted gross income	822,952	125,388	260,072	156	296	—	—	—	—	*27	*3
\$1 under \$5,000	16,769,495	5,665,859	840,639	11,436	1,179	—	—	—	—	*1,507	*113
\$5,000 under \$10,000	15,006,777	9,791,496	4,256,282	622,264	97,847	61,852	10,157	142,945	26,007	417,273	60,432
\$10,000 under \$15,000	14,302,945	11,011,112	10,348,091	2,750,390	1,009,809	446,100	158,858	*169,277	*36,485	2,348,424	809,874
\$15,000 under \$20,000	11,738,291	11,206,373	16,606,040	2,873,166	834,150	615,282	273,422	**	**	2,571,831	509,107
\$20,000 under \$25,000	9,332,301	9,217,916	19,508,059	746,757	340,336	668,269	292,335	*7,535	*1,998	—	—
\$25,000 under \$30,000	7,615,124	7,568,608	21,980,466	614,372	259,867	551,822	213,781	—	—	—	—
\$30,000 under \$40,000	12,100,369	12,069,474	48,001,003	1,221,068	546,377	1,115,132	427,717	—	—	—	—
\$40,000 under \$50,000	8,590,272	8,566,649	46,329,536	954,845	411,154	864,529	324,823	—	—	—	—
\$50,000 under \$75,000	9,921,341	9,912,844	84,801,135	1,338,613	629,415	1,200,394	506,436	—	—	—	—
\$75,000 under \$100,000	3,059,386	3,055,599	44,380,602	440,173	348,950	328,309	146,730	—	—	—	—
\$100,000 under \$200,000	2,090,358	2,088,707	56,482,929	295,202	441,332	†	†	—	—	—	—
\$200,000 under \$500,000	612,814	612,257	42,338,111	116,763	452,967	†	†	—	—	—	—
\$500,000 under \$1,000,000	115,646	115,540	19,008,719	29,889	242,501	3,125	1,702	—	—	—	—
\$1,000,000 or more	57,603	57,529	36,731,205	19,603	514,932	916	539	—	—	—	—
<b>Taxable returns, total</b> .....	<b>89,178,355</b>	<b>89,178,355</b>	<b>450,453,062</b>	<b>8,954,590</b>	<b>5,027,841</b>	<b>5,389,173</b>	<b>2,181,317</b>	<b>207,817</b>	<b>41,807</b>	<b>2,847,637</b>	<b>748,289</b>
No adjusted gross income	5,961	5,961	105,812	*77	*168	—	—	—	—	**	**
\$1 under \$5,000	4,990,882	4,990,882	583,790	*7,486	*59	—	—	—	—	—	—
\$5,000 under \$10,000	9,324,913	9,324,913	3,983,798	85,421	12,432	—	—	69,397	11,169	*1,359	*259
\$10,000 under \$15,000	10,643,030	10,643,030	10,052,845	693,862	323,872	44,818	13,004	*130,884	*28,639	557,798	287,669
\$15,000 under \$20,000	11,058,757	11,058,757	16,420,662	2,480,094	678,633	472,843	194,094	**	**	2,288,479	460,361
\$20,000 under \$25,000	9,173,782	9,173,782	19,421,519	704,903	304,202	643,519	275,007	*7,535	*1,998	—	—
\$25,000 under \$30,000	7,541,919	7,541,919	21,920,063	594,863	229,779	547,425	211,501	—	—	—	—
\$30,000 under \$40,000	12,046,515	12,046,515	47,934,013	1,204,773	499,597	1,112,656	426,143	—	—	—	—
\$40,000 under \$50,000	8,860,180	8,860,180	46,313,570	947,300	388,759	862,805	323,192	—	—	—	—
\$50,000 under \$75,000	9,905,916	9,905,916	84,785,035	1,336,302	620,224	1,200,394	506,436	—	—	—	—
\$75,000 under \$100,000	3,053,791	3,053,791	44,375,413	438,620	347,515	328,309	146,730	—	—	—	—
\$100,000 under \$200,000	2,087,727	2,087,727	56,479,867	294,789	433,898	†	†	—	—	—	—
\$200,000 under \$500,000	611,980	611,980	42,337,065	116,643	446,973	†	†	—	—	—	—
\$500,000 under \$1,000,000	115,492	115,492	19,008,496	29,871	240,510	3,125	1,702	—	—	—	—
\$1,000,000 or more	57,510	57,510	36,731,113	19,586	501,222	916	539	—	—	—	—
<b>Non-taxable returns, total</b> .....	<b>22,957,318</b>	<b>1,886,996</b>	<b>1,419,826</b>	<b>3,080,107</b>	<b>1,103,293</b>	<b>638,921</b>	<b>258,154</b>	<b>111,941</b>	<b>22,683</b>	<b>2,491,426</b>	<b>631,239</b>

Footnotes: at end of table

**Table 3.3—All Returns: Tax Liability, Tax Credits and Taxpayments, by Size of Adjusted Gross Income—Continued**  
(All figures are estimates based on samples—money amounts are in thousands of dollars)

Size of adjusted gross income	Tax Credits—Continued						Income tax after credits			Total income tax		
	Minimum tax credit		Foreign tax credit		General business credit		Other tax credits		Number of returns	Amount	Number of returns	Amount
	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount				
<b>All returns, total</b> .....	<b>39,869</b>	<b>252,593</b>	<b>641,557</b>	<b>1,311,742</b>	<b>332,419</b>	<b>593,192</b>	<b>26,111</b>	<b>44,914</b>	<b>89,162,747</b>	<b>432,109,004</b>	<b>89,176,355</b>	<b>432,939,998</b>
No adjusted gross income	†	†	†	†	126	267	—	—	1,171	35,529	5,961	102,251
\$1 under \$5,000	—	—	†	†	*1,507	*910	—	—	4,990,881	560,265	4,990,882	564,320
\$5,000 under \$10,000	—	—	10,293	358	*8,908	*726	—	—	9,323,820	3,582,821	9,324,913	3,584,847
\$10,000 under \$15,000	—	—	24,699	5,756	24,435	9,154	*3,014	*151	10,642,063	9,322,358	10,643,030	9,323,866
\$15,000 under \$20,000	—	—	29,860	8,147	40,502	31,231	—	—	11,058,593	15,284,643	11,058,757	15,295,442
\$20,000 under \$25,000	—	—	31,717	12,862	26,118	24,504	—	—	9,173,777	18,192,386	9,173,782	18,193,167
\$25,000 under \$30,000	†	†	24,767	6,040	31,948	33,893	*2,272	*54	7,541,135	20,714,933	7,541,919	20,726,836
\$30,000 under \$40,000	—	—	61,534	42,210	38,686	63,186	*2,426	*110	12,046,275	45,588,526	12,046,515	45,597,597
\$40,000 under \$50,000	*5,176	*2,863	62,846	21,545	26,677	54,073	*5,297	*2,437	8,558,417	44,013,965	8,560,180	44,034,240
\$50,000 under \$75,000	**	**	98,872	66,372	34,044	44,901	*2,331	*1,568	9,903,386	81,195,853	9,905,916	81,250,313
\$75,000 under \$100,000	*1,356	*2,897	80,121	135,618	36,959	63,509	*1,129	*196	3,052,872	42,632,646	3,053,791	42,671,702
\$100,000 under \$200,000	11,737	29,706	110,093	261,429	33,197	77,613	3,148	3,274	2,085,957	54,321,970	2,087,727	54,471,932
\$200,000 under \$500,000	13,804	83,715	65,256	287,263	18,349	56,287	4,427	12,058	611,615	41,468,925	611,980	41,631,082
\$500,000 under \$1,000,000	*6,880	*133,187	19,651	158,713	**10,963	**132,939	†	†	115,343	18,759,023	115,492	18,882,584
\$1,000,000 or more	**	**	13,416	305,272	**	**	†	†	57,441	36,435,162	57,510	36,609,819
<b>Taxable returns, total</b> .....	<b>39,587</b>	<b>249,366</b>	<b>620,137</b>	<b>1,247,068</b>	<b>238,400</b>	<b>473,979</b>	<b>26,105</b>	<b>44,363</b>	<b>89,162,747</b>	<b>432,109,004</b>	<b>89,176,355</b>	<b>432,939,998</b>
No adjusted gross income	†	†	†	†	*75	*157	—	—	1,171	35,529	5,961	102,251
\$1 under \$5,000	—	—	†	†	—	—	—	—	4,990,881	560,265	4,990,882	564,320
\$5,000 under \$10,000	—	—	10,293	358	*2,865	*478	—	—	9,323,820	3,582,821	9,324,913	3,584,847
\$10,000 under \$15,000	—	—	19,720	2,706	*7,037	*2,171	*3,014	*151	10,642,063	9,322,358	10,643,030	9,323,866
\$15,000 under \$20,000	—	—	25,409	3,755	13,663	8,179	—	—	11,058,593	15,284,643	11,058,757	15,295,442
\$20,000 under \$25,000	—	—	29,846	9,514	13,751	10,534	—	—	9,173,777	18,192,386	9,173,782	18,193,167
\$25,000 under \$30,000	†	†	23,694	4,036	17,909	10,153	*2,272	*54	7,541,135	20,714,933	7,541,919	20,726,836
\$30,000 under \$40,000	—	—	55,782	25,048	30,619	35,142	*2,426	*110	12,046,275	45,588,526	12,046,515	45,597,597
\$40,000 under \$50,000	*4,965	*2,414	61,013	12,858	22,828	42,442	*5,297	*2,437	8,558,417	44,013,965	8,560,180	44,034,240
\$50,000 under \$75,000	**	**	98,594	64,744	32,011	37,341	*2,331	*1,568	9,903,386	81,195,853	9,905,916	81,250,313
\$75,000 under \$100,000	*1,356	*2,897	80,121	135,618	35,406	62,073	*1,129	*196	3,052,872	42,632,646	3,053,791	42,671,702
\$100,000 under \$200,000	11,716	29,184	109,948	255,899	32,949	76,231	3,148	3,274	2,085,957	54,321,970	2,087,727	54,471,932
\$200,000 under \$500,000	13,767	82,802	65,184	282,295	18,330	56,156	4,423	12,057	611,615	41,468,925	611,980	41,631,082
\$500,000 under \$1,000,000	*6,869	*131,860	19,644	157,656	**10,957	**132,922	†	†	115,343	18,759,023	115,492	18,882,584
\$1,000,000 or more	**	**	13,401	292,523	**	**	†	†	57,441	36,435,162	57,510	36,609,819
<b>Nontaxable returns, total</b> .....	<b>282</b>	<b>3,227</b>	<b>21,420</b>	<b>64,673</b>	<b>94,019</b>	<b>119,214</b>	<b>6</b>	<b>552</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>

Footnote(s) at end of table



**Table 3.3—All Returns: Tax Liability, Tax Credits and Taxpayments, by Size of Adjusted Gross Income—Continued**  
(All figures are estimates based on samples—money amounts are in thousands of dollars)

Size of adjusted gross income	Alternative minimum tax		All other taxes										Social security taxes on tip income	
	Number of returns	Amount	Total		Tax from recomputing prior-year investment credit		Penalty tax on qualified retirement plans		Self-employment tax		Number of returns	Amount		
			Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount				
(24)	(25)	(26)	(27)	(28)	(29)	(30)	(31)	(32)	(33)	(34)	(35)			
<b>All returns, total</b> .....	<b>117,483</b>	<b>830,994</b>	<b>13,603,948</b>	<b>19,512,148</b>	<b>121,380</b>	<b>91,608</b>	<b>2,080,968</b>	<b>975,572</b>	<b>11,587,550</b>	<b>18,403,176</b>	<b>158,652</b>	<b>20,876</b>		
No adjusted gross income	4,820	66,722	150,484	173,260	3,100	832	13,290	19,998	135,456	152,428	*3	( )		
\$1 under \$5,000	*7,544	*4,056	948,762	343,799	*3,326	*3,071	20,475	4,815	914,115	334,946	16,280	968		
\$5,000 under \$10,000	*2,601	*2,026	1,384,636	946,225	*1,358	*45	60,030	14,371	1,308,666	928,342	29,992	3,467		
\$10,000 under \$15,000	*1,036	*1,507	1,352,730	1,223,646	*1,560	*230	112,109	24,309	1,223,976	1,194,558	33,155	4,548		
\$15,000 under \$20,000	*1,350	*10,799	1,263,295	1,332,727	*10,341	*1,067	156,303	32,722	1,105,730	1,294,662	24,681	2,432		
\$20,000 under \$25,000	*381	*782	1,120,933	1,314,891	**	**	152,923	27,374	964,658	1,284,680	16,429	2,432		
\$25,000 under \$30,000	*2,307	*11,903	1,043,610	1,253,630	*9,367	*1,251	175,983	49,505	868,007	1,200,432	*13,415	*2,442		
\$30,000 under \$40,000	4,286	9,071	1,752,106	2,403,406	10,668	1,548	381,530	165,184	1,412,064	2,235,926	*7,912	*749		
\$40,000 under \$50,000	4,216	20,275	1,412,159	2,295,296	*5,770	*360	320,004	120,332	1,129,645	2,173,912	*9,430	*690		
\$50,000 under \$75,000	19,138	54,460	1,792,871	3,550,822	*31,923	*8,366	451,500	205,217	1,380,792	3,339,889	*4,803	*509		
\$75,000 under \$100,000	15,461	39,056	627,800	1,708,900	**	**	146,936	139,365	492,959	1,566,147	*2,258	*229		
\$100,000 under \$200,000	30,316	149,962	534,381	2,010,997	15,459	10,889	68,688	94,927	465,610	1,904,871	*1,011	*161		
\$200,000 under \$500,000	16,374	162,157	173,746	707,029	17,350	9,677	18,305	56,519	149,386	640,735	**	—		
\$500,000 under \$1,000,000	4,927	123,560	29,652	126,136	5,827	7,080	**2,893	**20,932	24,171	104,820	—	—		
\$1,000,000 or more	2,728	174,658	16,784	121,386	5,329	47,192	**	**	12,314	46,829	—	—		
<b>Taxable returns, total</b> .....	<b>117,483</b>	<b>830,994</b>	<b>11,026,443</b>	<b>17,513,064</b>	<b>114,202</b>	<b>85,201</b>	<b>1,941,112</b>	<b>911,762</b>	<b>9,152,617</b>	<b>16,477,648</b>	<b>125,791</b>	<b>17,554</b>		
No adjusted gross income	4,820	66,722	889	3,561	54	76	38	398	814	3,086	—	—		
\$1 under \$5,000	*7,544	*4,056	89,693	19,470	—	—	—	—	85,172	19,237	*4,521	*232		
\$5,000 under \$10,000	*2,601	*2,026	613,476	398,951	*1,358	*45	23,818	2,909	575,798	394,422	17,936	1,575		
\$10,000 under \$15,000	*1,036	*1,507	830,613	728,979	*1,560	*230	73,041	14,935	740,312	709,960	24,113	3,854		
\$15,000 under \$20,000	*1,350	*10,799	1,098,043	1,125,220	*10,337	*1,065	140,241	25,691	948,780	1,094,186	23,964	4,681		
\$20,000 under \$25,000	*381	*782	1,076,799	1,228,352	**	**	150,714	27,232	922,735	1,198,284	16,429	2,432		
\$25,000 under \$30,000	*2,307	*11,903	1,016,921	1,193,227	*9,367	*1,251	173,059	47,461	844,242	1,142,073	*13,415	*2,442		
\$30,000 under \$40,000	4,286	9,071	1,729,147	2,336,417	9,955	1,063	375,519	160,928	1,394,207	2,173,677	*7,912	*749		
\$40,000 under \$50,000	4,216	20,275	1,405,691	2,279,330	*5,770	*360	318,280	118,091	1,124,900	2,160,188	*9,430	*690		
\$50,000 under \$75,000	19,138	54,460	1,785,942	3,534,723	*31,900	*6,403	449,631	202,569	1,374,255	3,328,400	*4,803	*509		
\$75,000 under \$100,000	15,461	39,056	625,991	1,703,712	**	**	146,912	139,357	491,175	1,560,968	*2,258	*229		
\$100,000 under \$200,000	30,316	149,962	533,401	2,007,935	15,435	10,883	68,688	94,927	464,654	1,901,815	*1,011	*161		
\$200,000 under \$500,000	16,374	162,157	173,469	705,983	17,324	9,600	18,284	56,375	149,142	639,915	**	—		
\$500,000 under \$1,000,000	4,927	123,560	29,604	125,912	5,819	7,047	**2,887	**20,888	24,132	104,673	—	—		
\$1,000,000 or more	2,728	174,658	16,765	121,294	5,323	47,177	**	**	12,300	46,764	—	—		
<b>Non-taxable returns, total</b> .....	<b>—</b>	<b>—</b>	<b>2,577,505</b>	<b>1,999,084</b>	<b>7,178</b>	<b>6,407</b>	<b>139,856</b>	<b>63,810</b>	<b>2,434,933</b>	<b>1,925,528</b>	<b>32,860</b>	<b>3,322</b>		

Footnote(s) at end of table

Table 3.3—All Returns: Tax Liability, Tax Credits and Taxpayments, by Size of Adjusted Gross Income—Continued

(All figures are estimates based on samples—money amounts are in thousands of dollars)

Size of adjusted gross income	Earned income credit used to offset other taxes		Number of returns without tax liability	Total				Income tax withheld				Estimated taxpayments		Payment with request for extension of filing time	
	Number of returns	Amount		Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount		
	(36)	(37)	(38)	(39)	(40)	(41)	(42)	(43)	(44)	(45)	(46)				
All returns, total	1,262,730	580,343	21,070,323	102,992,534	468,964,636	95,828,144	362,405,397	12,660,900	88,108,845	1,286,619	17,416,394				
No adjusted gross income	43,430	15,456	697,564	378,771	1,152,148	249,893	589,021	97,344	422,144	24,812	119,908				
\$1 under \$5,000	194,343	67,480	11,103,637	12,994,735	2,859,871	12,623,584	2,614,345	330,760	214,095	61,150	24,753				
\$5,000 under \$10,000	458,901	275,544	5,215,281	12,358,770	8,076,117	11,581,626	7,253,676	869,671	694,084	70,430	117,729				
\$10,000 under \$15,000	441,434	199,733	3,291,833	13,050,870	15,424,008	11,832,954	13,700,743	1,490,063	1,616,837	79,151	92,190				
\$15,000 under \$20,000	124,623	22,129	531,918	11,343,161	20,813,855	10,363,180	18,471,448	1,430,886	2,203,171	69,160	113,312				
\$20,000 under \$25,000	—	—	114,385	9,129,162	23,347,858	8,415,331	20,835,960	1,152,975	2,415,906	58,097	84,980				
\$25,000 under \$30,000	—	—	46,516	7,504,662	25,257,533	7,046,913	22,836,367	910,422	2,278,750	52,089	134,551				
\$30,000 under \$40,000	—	—	30,895	11,973,175	53,952,807	11,268,865	48,484,549	1,487,466	5,151,268	124,347	297,207				
\$40,000 under \$50,000	—	—	23,623	8,515,207	50,485,475	8,032,563	44,821,937	1,196,600	5,374,921	90,310	272,910				
\$50,000 under \$75,000	—	—	8,497	9,860,609	86,692,430	9,261,628	74,873,112	1,661,759	10,900,285	192,813	748,372				
\$75,000 under \$100,000	—	—	3,787	3,029,579	42,687,214	2,755,480	33,693,399	784,950	8,109,647	125,155	673,989				
\$100,000 under \$200,000	—	—	1,651	2,073,497	51,446,332	1,765,729	34,554,080	815,247	14,672,356	181,762	1,931,085				
\$200,000 under \$500,000	—	—	557	608,039	37,997,061	491,913	21,726,194	318,133	13,224,974	107,264	2,897,428				
\$500,000 under \$1,000,000	—	—	106	114,979	16,975,072	92,591	8,563,350	71,789	6,447,741	29,521	1,919,337				
\$1,000,000 or more	—	—	74	57,318	31,796,854	45,895	9,387,216	42,833	14,382,667	20,559	7,988,645				
Taxable returns, total	*21	*18	—	84,955,606	459,282,897	78,658,299	354,427,706	11,829,849	86,683,236	1,162,070	17,190,865				
No adjusted gross income	*21	*18	—	4,928	124,829	3,153	25,053	1,937	46,124	1,469	51,891				
\$1 under \$5,000	—	—	—	3,610,733	905,536	3,486,938	843,850	128,175	53,735	28,634	7,832				
\$5,000 under \$10,000	—	—	—	8,156,748	5,944,687	7,635,052	5,428,354	610,603	432,198	48,417	82,467				
\$10,000 under \$15,000	—	—	—	9,839,430	12,487,134	8,746,263	11,009,736	1,347,049	1,402,913	53,340	66,659				
\$15,000 under \$20,000	—	—	—	10,745,789	20,080,774	9,820,376	17,887,341	1,362,265	2,067,807	64,823	104,705				
\$20,000 under \$25,000	—	—	—	9,006,587	23,084,193	8,315,456	20,634,749	1,131,639	2,369,938	50,940	69,164				
\$25,000 under \$30,000	—	—	—	7,443,133	25,112,304	6,996,778	22,738,820	899,339	2,243,723	48,889	123,151				
\$30,000 under \$40,000	—	—	—	11,935,128	53,817,485	11,242,138	48,408,305	1,477,250	5,099,591	122,655	292,970				
\$40,000 under \$50,000	—	—	—	8,489,191	50,321,032	8,012,063	44,741,133	1,185,621	5,312,325	88,886	252,185				
\$50,000 under \$75,000	—	—	—	9,846,608	86,613,810	9,253,326	74,838,689	1,654,188	10,866,891	190,479	738,025				
\$75,000 under \$100,000	—	—	—	3,026,383	42,661,701	2,752,634	33,675,620	784,648	8,102,847	125,061	673,090				
\$100,000 under \$200,000	—	—	—	2,071,442	51,403,647	1,764,262	34,532,833	814,849	14,655,448	181,266	1,926,730				
\$200,000 under \$500,000	—	—	—	607,399	37,974,048	491,496	21,717,398	317,790	13,212,564	107,162	2,895,714				
\$500,000 under \$1,000,000	—	—	—	114,856	16,966,003	92,516	8,560,416	71,705	6,442,926	29,506	1,918,196				
\$1,000,000 or more	—	—	—	57,250	31,785,714	45,848	9,385,411	42,792	14,374,208	20,546	7,988,089				
Nontaxable returns, total	1,262,709	580,326	21,070,323	18,036,928	9,681,739	17,169,845	7,977,690	831,051	1,425,610	124,548	225,529				

Footnotes) at end of table

**Table 3.3—All Returns: Tax Liability, Tax Credits and Taxpayments, by Size of Adjusted Gross Income—Continued**  
 (All figures are estimates based on samples—money amounts are in thousands of dollars)

Size of adjusted gross income	Taxpayments—Continued						Earned income credit, refundable portion	
	Excess social security taxes withheld		Credit for Federal tax on gasoline and special fuels		Credit from regulated investment companies		Number of returns	Amount
	Number of returns (47)	Amount (48)	Number of returns (49)	Amount (50)	Number of returns (51)	Amount (52)		
<b>All returns, total</b> .....	<b>932,845</b>	<b>844,233</b>	<b>751,328</b>	<b>141,777</b>	<b>78,141</b>	<b>47,712</b>	<b>8,277,047</b>	<b>4,635,516</b>
No adjusted gross income	2,982	3,407	55,852	17,405	2,139	125	57,661	19,177
\$1 under \$5,000	*2,219	*355	52,664	5,414	*3,014	*909	1,873,357	670,566
\$5,000 under \$10,000	—	—	69,691	10,612	*1,507	*17	3,068,634	2,394,869
\$10,000 under \$15,000	*125	*61	73,504	14,017	*982	*160	2,868,241	1,475,286
\$15,000 under \$20,000	*1,431	*226	94,201	25,601	*2,717	*118	409,154	75,617
\$20,000 under \$25,000	**	**	70,788	10,438	*3,950	*553	—	—
\$25,000 under \$30,000	*3,588	*410	56,615	6,965	*6,643	*490	—	—
\$30,000 under \$40,000	5,585	2,415	**165,142	**23,023	*4,286	*2,669	—	—
\$40,000 under \$50,000	36,972	6,206	**	**	*4,196	*1,178	—	—
\$50,000 under \$75,000	355,658	158,804	62,954	8,786	17,329	3,071	—	—
\$75,000 under \$100,000	235,763	189,420	24,175	6,571	**24,033	**17,344	—	—
\$100,000 under \$200,000	205,385	281,017	18,451	4,639	**	**	—	—
\$200,000 under \$500,000	60,942	135,717	**6,309	**6,458	5,233	7,026	—	—
\$500,000 under \$1,000,000	14,474	38,475	**	**	†	†	—	—
\$1,000,000 or more	7,722	27,721	981	1,847	†	†	—	—
<b>Taxable returns, total</b> .....	<b>924,650</b>	<b>839,067</b>	<b>519,700</b>	<b>95,719</b>	<b>71,234</b>	<b>46,300</b>	—	—
No adjusted gross income	88	257	147	1,505	**	**	—	—
\$1 under \$5,000	—	—	—	—	**1,508	**119	—	—
\$5,000 under \$10,000	—	*32	15,759	1,652	*1,507	*17	—	—
\$10,000 under \$15,000	*53	—	39,991	7,770	*68	*25	—	—
\$15,000 under \$20,000	**1,360	**108	75,180	20,727	*1,358	*109	—	—
\$20,000 under \$25,000	**	**	65,709	9,768	*3,950	*553	—	—
\$25,000 under \$30,000	*3,516	*313	50,085	5,808	*6,643	*490	—	—
\$30,000 under \$40,000	*4,730	*1,591	**160,176	**20,698	*3,373	*2,653	—	—
\$40,000 under \$50,000	35,248	5,888	**	**	*4,196	*1,178	—	—
\$50,000 under \$75,000	355,589	158,754	62,830	8,380	17,329	3,071	—	—
\$75,000 under \$100,000	235,763	189,420	24,175	6,571	**23,961	**17,310	—	—
\$100,000 under \$200,000	205,226	280,933	18,374	4,549	**	**	—	—
\$200,000 under \$500,000	60,901	135,631	**6,299	**6,448	5,229	7,024	—	—
\$500,000 under \$1,000,000	14,458	38,435	**	**	†	†	—	—
\$1,000,000 or more	7,717	27,706	976	1,842	†	†	—	—
<b>Nontaxable returns, total</b> .....	<b>8,195</b>	<b>5,167</b>	<b>231,627</b>	<b>46,058</b>	<b>6,907</b>	<b>1,412</b>	<b>8,277,047</b>	<b>4,635,516</b>

Footnote(s) at end of table

Table 3.3—All Returns: Tax Liability, Tax Credits and Taxpayments, by Size of Adjusted Gross Income—Continued

(All figures are estimates based on samples—money amounts are in thousands of dollars)

Size of adjusted gross income	Overpayment					Tax due at time of filing		Predetermined estimated tax penalty	
	Total		Refunded		Credited to 1990 estimated tax		Number of returns	Amount	Number of returns
	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount			
	(55)	(56)	(57)	(58)	(59)	(60)	(61)	(62)	(63)
									(64)
<b>All returns, total</b> .....	<b>80,906,202</b>	<b>61,252,232</b>	<b>78,271,544</b>	<b>71,735,083</b>	<b>3,753,154</b>	<b>9,517,149</b>	<b>28,044,448</b>	<b>60,156,928</b>	<b>3,569,721</b>
No adjusted gross income	367,036	1,029,144	330,195	849,814	50,593	179,331	78,546	119,563	17,463
\$1 under \$5,000	12,696,405	3,126,210	12,630,031	3,077,851	116,032	48,358	2,510,821	438,115	45,621
\$5,000 under \$10,000	11,473,704	7,156,422	11,278,954	7,007,707	290,219	148,715	2,666,459	949,534	168,895
\$10,000 under \$15,000	11,073,964	8,136,286	10,782,356	7,907,552	435,320	228,734	3,029,552	1,602,443	306,793
\$15,000 under \$20,000	8,916,765	6,170,536	8,658,551	5,926,435	374,607	244,101	2,771,598	1,911,711	324,393
\$20,000 under \$25,000	7,162,200	5,710,288	6,914,306	5,467,061	330,247	243,227	2,131,433	1,900,836	304,489
\$25,000 under \$30,000	5,543,927	5,275,279	5,357,955	5,072,859	263,833	202,420	2,058,406	2,025,983	258,060
\$30,000 under \$40,000	8,880,336	10,309,737	8,584,429	9,792,839	417,680	516,898	3,192,165	4,408,512	436,371
\$40,000 under \$50,000	6,017,499	8,290,482	5,782,379	7,812,795	328,593	477,687	2,556,412	4,184,620	**1,024,912
\$50,000 under \$75,000	5,954,527	10,490,987	5,620,818	9,601,125	469,415	889,862	**5,434,505	**14,348,436	**
\$75,000 under \$100,000	1,571,169	3,890,902	1,405,083	3,186,861	249,645	704,040	**	**	277,453
\$100,000 under \$200,000	912,873	4,419,553	729,283	3,149,326	251,225	1,270,227	1,169,116	9,569,178	270,301
\$200,000 under \$500,000	256,008	2,969,652	160,231	1,562,865	121,447	1,406,787	354,696	7,391,434	107,571
\$500,000 under \$1,000,000	53,586	1,367,994	27,642	578,801	31,991	789,193	61,549	3,434,076	18,888
\$1,000,000 or more	28,204	2,908,760	9,233	741,191	22,307	2,167,569	29,190	7,872,485	9,511
<b>Taxable returns, total</b> .....	<b>62,281,142</b>	<b>67,551,268</b>	<b>59,844,131</b>	<b>58,499,252</b>	<b>3,429,080</b>	<b>9,052,036</b>	<b>26,745,508</b>	<b>59,341,846</b>	<b>3,413,511</b>
No adjusted gross income	3,178	52,515	2,871	38,059	1,660	14,456	1,867	33,751	359
\$1 under \$5,000	3,007,902	587,333	2,986,803	580,329	42,056	7,004	1,966,841	266,420	26,681
\$5,000 under \$10,000	6,981,289	2,743,314	6,845,694	2,676,309	192,869	67,005	2,323,629	788,008	122,719
\$10,000 under \$15,000	7,797,903	3,853,991	7,540,282	3,693,858	377,883	160,133	2,828,460	1,434,614	269,065
\$15,000 under \$20,000	8,345,136	5,450,800	8,096,364	5,230,323	352,528	220,476	2,693,806	1,813,330	22,053
\$20,000 under \$25,000	7,050,835	5,492,338	6,811,452	5,275,439	320,012	216,899	2,108,611	1,859,241	298,883
\$25,000 under \$30,000	5,491,195	5,153,764	5,307,170	4,959,485	260,058	194,279	2,044,377	1,988,872	254,823
\$30,000 under \$40,000	8,853,272	10,202,909	8,557,457	9,690,320	512,589	512,589	3,176,324	4,368,834	430,667
\$40,000 under \$50,000	5,992,899	8,138,367	5,758,979	7,664,026	325,301	454,340	2,554,290	4,180,829	**1,023,761
\$50,000 under \$75,000	5,941,726	10,421,117	5,610,838	9,533,892	466,201	887,226	**5,432,841	**14,341,082	**
\$75,000 under \$100,000	1,567,973	3,870,571	1,402,094	3,170,288	249,366	700,283	**	**	277,453
\$100,000 under \$200,000	910,820	4,380,007	727,628	3,115,717	250,708	1,264,291	1,169,113	9,569,170	269,909
\$200,000 under \$500,000	255,406	2,947,510	159,764	1,545,187	121,222	1,402,314	354,629	7,391,237	107,518
\$500,000 under \$1,000,000	53,469	1,359,069	27,547	571,238	31,952	787,831	61,536	3,433,993	18,881
\$1,000,000 or more	28,140	2,897,693	9,187	734,793	22,280	2,162,910	29,183	7,872,464	9,506
<b>Nontaxable returns, total</b> .....	<b>18,627,059</b>	<b>13,700,944</b>	<b>18,427,413</b>	<b>13,235,831</b>	<b>324,074</b>	<b>465,113</b>	<b>1,298,940</b>	<b>815,082</b>	<b>156,210</b>
<b>All returns, total</b> .....	<b>99,513,261</b>	<b>75,253,182</b>	<b>96,708,957</b>	<b>85,034,913</b>	<b>4,083,154</b>	<b>10,022,252</b>	<b>30,343,388</b>	<b>68,968,010</b>	<b>3,725,931</b>

\* Estimate should be used with caution because of the small number of sample returns on which it is based

† Data deleted to avoid disclosure of information for specific taxpayers. Deleted data are included in the appropriate totals

\*\* Data combined to avoid disclosure of information for specific taxpayers

() Less than \$500

NOTE: Detail may not add to totals because of rounding

Table 3.4—Returns with Modified Taxable Income: Tax Classified by Both the Marginal Rate and Each Rate at Which Tax Was Computed

(All figures are estimates based on samples—money amounts are in thousands of dollars)

Tax rate classes	All returns											
	Classified by the highest marginal rate at which tax was computed					Classified by each rate at which tax was computed						
	Tax generated					Income tax after credits						
	Number of returns	Adjusted gross income	At all rates	At marginal rate	At all rates	Total	Adjusted gross income	Modified taxable income	Number of returns	Income tax generated at rate		
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
<b>All tax rates</b>	<b>92,211,584</b>	<b>3,199,434,253</b>	<b>2,177,433,197</b>	<b>1,367,570,697</b>	<b>436,431,173</b>	<b>299,240,398</b>	<b>432,028,341</b>	<b>13.5</b>	<b>19.8</b>	<b>92,211,584</b>	<b>2,177,433,197</b>	<b>436,461,520</b>
15 percent (Form 8814)	6,929	—	4,553	4,553	685	685	436	(1)	9.6	118,127	68,653	10,301
15 percent	64,823,867	1,263,193,018	676,341,280	676,319,020	101,420,116	101,447,853	98,407,588	7.8	14.5	91,472,466	1,365,027,058	204,754,059
28 percent	23,111,722	1,181,277,573	871,952,773	871,952,773	165,704,644	75,194,216	165,537,375	14.0	19.0	26,299,751	389,641,132	109,099,517
33 percent <sup>1</sup>	3,188,030	366,926,905	291,151,511	84,898,453	74,696,124	28,016,490	74,357,785	20.3	25.5	3,188,030	84,898,453	28,016,490
28 percent <sup>1</sup>	729,455	386,753,400	336,779,614	336,776,419	94,297,877	94,297,397	93,395,351	24.1	27.7	729,455	336,776,419	94,297,397
Form 8615	351,582	1,404,509	1,203,466	1,021,481	311,726	283,757	329,807	23.5	27.4	351,582	1,021,481	283,757
Tax rate classes	Joint returns and returns of surviving spouses											
	Classified by the highest marginal rate at which tax was computed					Classified by each rate at which tax was computed						
	Tax generated					Income tax after credits						
	Number of returns	Adjusted gross income	At all rates	At marginal rate	At all rates	At marginal rate	Total	Adjusted gross income	Modified taxable income	Number of returns	Income tax generated at rate	
	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)	(21)	(22)	(23)	(24)
<b>All tax rates</b>	<b>42,507,029</b>	<b>2,197,805,595</b>	<b>1,505,244,154</b>	<b>924,059,396</b>	<b>309,051,391</b>	<b>209,968,653</b>	<b>306,210,477</b>	<b>13.9</b>	<b>20.3</b>	<b>42,507,029</b>	<b>1,505,244,154</b>	<b>309,063,715</b>
15 percent (Form 8814)	4,057	—	3,678	3,678	554	554	418	(1)	11.4	100,042	60,886	9,137
15 percent	26,174,985	757,311,370	400,378,045	400,360,719	60,044,151	60,054,108	58,686,174	7.7	14.7	41,989,384	889,816,364	133,472,455
28 percent	13,726,018	851,346,479	615,740,799	190,886,939	117,176,645	53,448,343	116,565,660	13.7	18.9	15,814,399	282,558,844	79,116,476
33 percent <sup>1</sup>	2,088,198	282,381,788	221,898,298	65,587,821	57,007,911	21,643,981	56,778,254	20.1	25.6	2,088,198	65,587,821	21,643,981
28 percent <sup>1</sup>	513,587	306,884,621	267,223,335	267,220,239	74,822,131	74,821,667	74,179,971	24.2	27.8	513,587	267,220,239	74,821,667
Form 8615	—	—	—	—	—	—	—	—	—	—	—	—
Tax rate classes	Separate returns of husbands and wives											
	Classified by the highest marginal rate at which tax was computed					Classified by each rate at which tax was computed						
	Tax generated					Income tax after credits						
	Number of returns	Adjusted gross income	At all rates	At marginal rate	At all rates	At marginal rate	Total	Adjusted gross income	Modified taxable income	Number of returns	Income tax generated at rate	
	(25)	(26)	(27)	(28)	(29)	(30)	(31)	(32)	(33)	(34)	(35)	(36)
<b>All tax rates</b>	<b>1,786,665</b>	<b>48,094,237</b>	<b>34,019,136</b>	<b>22,291,877</b>	<b>7,238,969</b>	<b>5,207,507</b>	<b>7,152,710</b>	<b>14.9</b>	<b>21.0</b>	<b>1,786,665</b>	<b>34,019,136</b>	<b>7,239,961</b>
15 percent (Form 8814)	—	—	—	—	—	—	—	—	—	—	—	—
15 percent	1,154,104	16,035,832	12,264,614	8,794,966	1,318,710	1,319,244	1,325,152	8.3	15.1	1,776,035	18,419,354	2,762,903
28 percent	526,132	16,640,675	12,264,614	4,122,667	2,375,251	1,543,347	2,363,406	14.2	19.3	621,932	6,225,472	1,743,132
33 percent <sup>1</sup>	95,800	7,139,867	5,767,851	2,182,544	1,531,331	720,240	1,518,474	21.3	26.3	95,800	2,182,544	720,240
28 percent <sup>1</sup>	10,629	8,277,863	7,191,705	7,191,701	2,013,677	2,013,676	1,945,678	23.5	27.1	10,629	7,191,701	2,013,676
Form 8615	—	—	—	—	—	—	—	—	—	—	—	—

Footnotes<sup>1</sup> at end of table

**Table 3.4—Returns with Modified Taxable Income: Tax Classified by Both the Marginal Rate and Each Rate at Which Tax Was Computed—Continued**  
(All figures are estimates based on samples—money amounts are in thousands of dollars)

Returns of heads of households											
Tax rate classes	Classified by the highest marginal rate at which tax was computed						Classified by each rate at which tax was computed				
	Modified taxable income			Tax generated			Income tax after credits		Number of returns	Income taxed at rate	Income tax generated at rate
	At all rates	At marginal rate	(39)	At all rates	At marginal rate	(41)	Total	Adjusted gross income			
<b>All tax rates</b> ..... (Form 8814)	<b>193,863,734</b>	<b>108,717,603</b>	<b>80,551,103</b>	<b>18,855,144</b>	<b>14,295,404</b>	<b>17,103,047</b>	<b>15.7</b>	<b>8.8</b>	<b>8,214,230</b>	<b>108,717,603</b>	<b>18,858,560</b>
15 percent	7,166,637	64,112,105	756	9,613,367	9,616,076	113	7,952,404	5.9	8,195,139	89,665,443	13,449,816
28 percent	43,559,660	32,079,300	8,162,393	5,873,039	2,285,470	2,285,470	5,624,096	13.4	1,028,502	10,763,793	3,013,862
33 percent	7,326,560	5,747,083	1,502,517	1,470,696	495,831	1,461,454	19.9	25.4	66,109	1,502,517	495,831
28 percent <sup>1</sup>	7,758,148	6,778,359	6,778,265	1,897,929	1,897,914	1,865,092	24.0	27.5	17,580	6,778,265	1,897,914
Form 8615	—	—	—	—	—	—	—	—	—	—	—

Returns of single persons											
Tax rate classes	Classified by the highest marginal rate at which tax was computed						Classified by each rate at which tax was computed				
	Modified taxable income			Tax generated			Income tax after credits		Number of returns	Income taxed at rate	Income tax generated at rate
	At all rates	At marginal rate	(51)	At all rates	At marginal rate	(53)	Total	Adjusted gross income			
<b>All tax rates</b> ..... (Form 8814)	<b>759,670,687</b>	<b>529,452,303</b>	<b>340,668,319</b>	<b>101,285,669</b>	<b>65,768,834</b>	<b>101,562,108</b>	<b>19.2</b>	<b>13.4</b>	<b>39,703,659</b>	<b>529,452,303</b>	<b>101,299,284</b>
15 percent	354,623,962	211,868,060	65,378,772	40,279,709	18,306,056	40,784,213	30,443,877	8.6	39,511,908	367,125,897	55,068,885
28 percent	269,730,759	57,738,279	15,625,571	14,686,187	5,156,438	14,599,603	20.8	25.3	8,834,919	90,093,023	25,226,046
33 percent	70,078,690	55,586,215	55,586,214	15,564,140	15,564,140	15,404,609	24.1	27.7	937,922	15,625,571	5,156,438
28 percent <sup>1</sup>	63,832,768	1,203,466	1,021,481	311,726	283,757	329,807	23.5	27.4	187,658	55,586,214	15,564,140
Form 8615	1,404,509	—	—	—	—	—	—	—	351,582	1,021,481	283,757

\* Estimate should be used with caution because of the small number of sample returns on which it is based.

(1) Percentage not computed

(2) Less than .005 percent

(3) Less than .005 percent

\*\* Data combined to avoid disclosure of information for specific taxpayers

<sup>1</sup> For 1989, the tax rate schedules contained only two basic rates: 15 percent and 28 percent. However, taxable income over certain levels was subject to an additional 5 percent tax, creating a temporary 33 percent marginal rate. The purpose behind this was to phase out the benefit of the 15 percent rate and the benefit of the deduction for personal exemptions for taxpayers and dependents. After these benefits were phased out, the marginal tax rate returned to 28 percent, the average tax rate was also 28 percent.

NOTE: Detail may not add to totals because of rounding.

**Table 3.5—Returns with Modified Taxable Income: Tax Generated by Rate and by Size of Adjusted Gross Income**

(All figures are estimates based on samples—money amounts are in thousands of dollars)

Size of adjusted gross income	Number of returns with modified taxable income	Taxable income	Modified taxable income	Tax generated at all rates	Tax generated at specified rate					
					15 Percent (from Form 8814)			15 Percent		
					Number of returns	Income taxed at rate	Tax generated at rate	Number of returns	Income taxed at rate	Tax generated at rate
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
<b>Total .....</b>	<b>92,211,584</b>	<b>2,173,345,607</b>	<b>2,177,433,197</b>	<b>436,431,173</b>	<b>118,127</b>	<b>68,653</b>	<b>10,301</b>	<b>91,472,466</b>	<b>1,365,027,058</b>	<b>204,754,059</b>
Under \$2,000	1,901,787	657,726	658,799	106,413	1,605	254	38	1,900,181	590,036	88,505
\$2,000 under \$4,000	2,148,866	1,398,650	1,403,211	226,075	*1,515	*758	*114	2,147,351	1,242,386	186,358
\$4,000 under \$6,000	2,789,622	3,477,958	3,473,458	531,678	*1,507	*1,914	*288	2,788,115	3,376,808	506,521
\$6,000 under \$8,000	4,000,530	8,319,790	8,300,702	1,259,760	—	—	—	4,000,530	8,163,861	1,224,579
\$8,000 under \$10,000	3,988,253	13,660,363	13,636,822	2,057,196	—	—	—	3,988,253	13,542,126	2,031,319
\$10,000 under \$12,000	5,002,772	21,653,514	21,632,159	3,246,164	*913	*457	*68	5,001,859	21,587,189	3,238,078
\$12,000 under \$14,000	5,255,305	30,064,596	30,045,504	4,507,842	—	—	—	5,255,305	30,015,547	4,502,332
\$14,000 under \$16,000	4,833,886	35,498,553	35,478,845	5,319,472	*1,358	*1,152	*174	4,832,527	35,477,693	5,321,654
\$16,000 under \$18,000	4,673,038	41,875,045	41,842,930	6,274,210	—	—	—	4,673,038	41,842,930	6,276,440
\$18,000 under \$20,000	4,379,375	46,542,828	46,520,586	6,980,469	*3,014	*1,878	*282	4,379,375	46,484,570	6,972,685
\$20,000 under \$25,000	9,215,631	122,363,183	122,347,800	18,436,508	*6,964	*3,227	*485	9,215,631	121,669,950	18,250,493
\$25,000 under \$30,000	7,560,712	131,904,440	131,912,855	20,914,418	*2,866	*1,201	*180	7,559,204	123,271,452	18,490,718
\$30,000 under \$40,000	12,062,779	278,320,160	278,350,440	45,652,790	*13,106	*7,732	*1,159	12,062,779	248,309,841	37,246,476
\$40,000 under \$50,000	8,566,122	263,107,712	263,170,933	44,319,430	15,611	8,836	1,325	8,566,122	225,897,799	33,884,670
\$50,000 under \$75,000	9,906,175	424,581,970	424,699,354	81,575,413	31,668	17,433	2,616	9,906,175	289,014,823	43,352,223
\$75,000 under \$100,000	3,055,245	193,047,596	193,148,326	42,800,332	12,060	9,006	1,350	3,054,116	90,269,179	13,540,377
\$100,000 under \$200,000	2,086,857	212,184,703	212,528,061	54,629,213	16,972	8,177	1,227	1,975,757	59,181,617	8,877,243
\$200,000 under \$500,000	611,757	146,390,252	148,944,159	41,780,219	7,330	5,606	841	165,358	5,067,640	760,146
\$500,000 under \$1,000,000	115,396	66,881,786	67,568,223	18,918,235	1,102	686	103	670	18,132	2,720
\$1,000,000 or more	57,476	131,414,782	131,770,029	36,895,335	535	338	51	118	3,479	522

Size of adjusted gross income	Tax generated at specified rate—Continued											
	28 Percent			33 Percent <sup>1</sup>			28 Percent <sup>1</sup>			Form 8615		
	Number of returns	Income taxed at rate	Tax generated at rate	Number of returns	Income taxed at rate	Tax generated at rate	Number of returns	Income taxed at rate	Tax generated at rate	Number of returns	Income taxed at rate	Tax generated at rate
	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)	(21)	(22)
<b>Total .....</b>	<b>26,299,751</b>	<b>389,641,132</b>	<b>109,099,517</b>	<b>3,188,030</b>	<b>84,898,453</b>	<b>28,016,490</b>	<b>729,455</b>	<b>336,776,419</b>	<b>94,297,397</b>	<b>351,582</b>	<b>1,021,481</b>	<b>283,757</b>
Under \$2,000	—	—	—	—	—	—	—	—	—	177,016	68,510	18,349
\$2,000 under \$4,000	—	—	—	—	—	—	—	—	—	97,226	160,068	40,411
\$4,000 under \$6,000	—	—	—	—	—	—	—	—	—	24,421	94,736	26,109
\$6,000 under \$8,000	—	—	—	—	—	—	—	—	—	23,791	136,841	37,004
\$8,000 under \$10,000	—	—	—	—	—	—	—	—	—	*12,056	*94,695	*27,826
\$10,000 under \$12,000	—	—	—	—	—	—	—	—	—	*4,521	*44,514	*10,387
\$12,000 under \$14,000	—	—	—	—	—	—	—	—	—	*2,443	*29,957	*8,003
\$14,000 under \$16,000	—	—	—	—	—	—	—	—	—	—	—	—
\$16,000 under \$18,000	—	—	—	—	—	—	—	—	—	—	—	—
\$18,000 under \$20,000	*7,387	*6,521	*1,826	—	—	—	—	—	—	*1,507	*27,618	*7,734
\$20,000 under \$25,000	797,290	612,086	171,384	—	—	—	—	—	—	*3,014	*62,537	*18,247
\$25,000 under \$30,000	2,510,248	8,600,978	2,408,274	—	—	—	—	—	—	*1,507	*39,224	*17,681
\$30,000 under \$40,000	3,683,792	29,981,192	8,394,734	—	—	—	—	—	—	*1,724	*51,674	*14,491
\$40,000 under \$50,000	4,934,874	37,241,512	10,427,623	18,025	22,786	7,519	—	—	—	—	—	—
\$50,000 under \$75,000	9,208,855	130,986,955	36,676,347	616,015	4,680,144	1,544,447	—	—	—	—	—	—
\$75,000 under \$100,000	3,024,109	93,572,571	26,200,320	658,360	9,118,340	3,009,052	—	—	—	*2,258	*179,231	*49,235
\$100,000 under \$200,000	1,968,566	81,526,620	22,827,453	1,734,887	56,327,497	18,588,074	111,028	15,470,698	4,331,795	*72	*13,453	*3,426
\$200,000 under \$500,000	163,889	7,085,047	1,983,813	160,099	14,707,565	4,853,496	446,371	122,078,301	34,181,924	—	—	—
\$500,000 under \$1,000,000	636	23,329	6,532	**644	**42,121	**13,900	114,701	67,473,877	18,892,686	**25	**18,424	*4,855
\$1,000,000 or more	107	4,322	1,210	—	—	—	57,355	131,753,543	36,890,992	—	—	—

\* Estimate should be used with caution because of the small number of sample returns on which it is based

\*\* Data combined to avoid disclosure of information for specific taxpayers

<sup>1</sup> For 1989, the tax rate schedules contained only two basic rates: 15 percent and 28 percent. However, taxable income over certain levels was subject to an additional 5 percent tax, creating a temporary 33 percent marginal rate. The purpose behind this was to phase out the benefit of the 15 percent rate and the benefit of the deduction for personal exemptions for taxpayers and dependents. After these benefits were phased out, the marginal tax rate reverted to 28 percent; the average tax rate was also 28 percent.

NOTE: Detail may not add to totals because of rounding.





## Section 4

## Explanation of Terms

The Explanation of Terms is designed to clarify the statistical content of this report and should not be construed as an interpretation of the Internal Revenue Code, related regulations, procedures, or policies.

The definitions and explanations in this section relate to column or stub titles used in one or more tables in this report. They provide background or limitations to such titles and are necessary to interpret the statistical tables to which they relate. For each of these titles, the line number of the tax form on which it is reported appears after the title. **Definitions marked with the symbol ▲ have been revised for 1989 to reflect changes in the law.**

Further information about many of the items in this report can be found in Section 5, *1989 Forms and Instructions*.

### **Adjusted Gross Income Less Deficit ▲** (line 31, Form 1040)

Income that had to be reported for the calculation of total income (line 23, Form 1040) and of adjusted gross income included the following:

- Compensation for services, including wages, salaries, fees, commissions, tips, fringe benefits, and similar items;
- Net income derived from a business, profession, or farm;
- Net gains from the sale of property;

- Taxable interest received;
- Rents and royalties;
- Dividends and capital gains distributions;
- Alimony and separate maintenance payments;
- Taxable amounts of annuities, pensions, and individual retirement arrangement (IRA) distributions;
- Distributive share of partnership income;
- Income from an estate or trust;
- Bartering income;
- Amounts received that were claimed as a deduction or credit in a prior year;
- Gambling winnings;
- Prizes and awards;
- Taxable amounts of social security payments;
- All unemployment compensation; and
- Recoveries (including state income tax refunds)

Some reported income was fully or partially excluded from total income for 1989. The following is a list of such items:

- Exclusion of the cost basis of pension, annuity, or IRA payments or distributions;
- Tax-exempt interest;
- Limited exclusion of social security benefits and railroad retirement benefits;
- Limited exclusion of qualified foreign earned income; and
- One-time exclusion of part or all of the gain from sale of principal residence by individuals who are 55 years of age or older.

From total income, the following Statutory Adjustments (lines 24 through 29 on Form 1040) were subtracted to arrive at adjusted gross income (line 31); a deficit occurred if the allowable exclusions and deductions exceeded gross income, i.e., the amount on line 30 was greater than the amount on line 23:

- Reimbursed employee business expenses that were included in reported income;
- Contributions to self-employed retirement plans (Keogh or simplified employee pension (SEP)) and to individual retirement arrangements (IRAs) by eligible persons;
- Forfeited interest penalties incurred by persons who made premature withdrawals of funds from time savings accounts;
- Alimony payments;
- Self-employed health insurance deduction;
- Forestation or reforestation expenses;
- Foreign housing exclusion;
- Repayments of supplemental unemployment compensation; and
- Certain expenses of qualified performing artists.

### Adjustments

See "Statutory Adjustments."

### Advance Earned Income Credit Payments (included in the total on line 53, Form 1040)

Taxpayers who believed they would be eligible for the earned income credit at the end of the year could receive the credit from their employers as an additional payment in their paychecks during the year. Those payments were then shown on the tax return (line 53 total on Form 1040) where they either increased the balance due amount or reduced the amount of the overpayment. (See also "All Other Taxes.")

### Alimony (lines 11, 29, Form 1040)

Payments received as alimony or separate maintenance were income to the person receiving them and a deduction (an adjustment to total income) for the person paying them.

### All Other Taxes (lines 48,50,51,52, Form 1040)

For the statistics in this report, this amount represents the sum of the self-employment tax, tax from the recapture of the investment credit and the low income housing credit, social security taxes on tip income, penalty tax on qualified retirement plans, and other unspecified taxes which included uncollected tax on tips, excess "golden parachute" payments, and section 72 penalty taxes. This differs slightly from the "other taxes" portion of the Form 1040 itself, which includes the taxes listed above plus the alternative minimum tax and the advance earned income credit payments received. Alternative minimum tax is tabulated in this report as part of "total income tax" and is one of the criteria for determining the taxable or nontaxable classification of a return. Advance earned income credit payments are shown as a separate item in computing total tax liability, balance due, or refund. (See also "Taxable and Nontaxable Returns" and "Total Income Tax".)

### All Other Tax Payments (lines 57-60, Form 1040)

All other tax payments included the tax paid with requests for a filing extension, excess social security or railroad retirement taxes, credit for tax on gasoline and special fuels, and the credit for tax paid on undistributed capital gains by a regulated investment company.

**Alternative Minimum Tax**  
(line 49, Form 1040)

The alternative minimum tax (AMT) was levied on benefits received in the form of deductions and exclusions which reduced an individual's regular effective tax rate. These benefits, known as "alternative minimum tax preferences and adjustments," resulted from the preferential treatment that the tax law gave to particular income and expense items.

Alternative minimum taxable income (line 8, Form 6251) was defined as taxable income with certain adjustments plus the amount of tax preference items. Alternative minimum taxable income (AMTI) was then reduced by an exemption amount determined by filing status and income. If the return was filed jointly by a married couple or a surviving spouse, the maximum amount of the exemption was \$40,000. The maximum amount for a single or head of household taxpayer was \$30,000, and for a married couple filing separately, \$20,000. The AMT exclusion was phased out if AMTI exceeded certain levels. For single returns, the phase-out began at \$112,500 and ended at \$232,500. For joint returns the range was \$150,000 to \$310,000, and for married couples filing separately, the range was \$75,000 to \$155,000.

If there was an amount remaining after subtracting the exemption, it was multiplied by the alternative minimum tax rate of 21 percent and then reduced by the recalculated alternative minimum tax foreign tax credit. This amount was then reduced by the regular income tax before credits (line 38, Form 1040 minus the regular foreign tax credit, line 43, Form 1040) to arrive at the alternative minimum tax.

**Business or Profession Net Income or Loss**  
(line 12, Form 1040)

This source of income was reported by individuals who were sole proprietors of a non-farm business, including self-employed members of a profession.

If two or more sole proprietorships were operated by the same taxpayer, the single amount of net income or loss included in adjusted gross income represented the combined net income and loss from all sole proprietorships. The proprietor was required to exclude investment income from business profits and include it, instead, with the various types of investment income for which separate provisions were made on the individual income tax return.

Business costs and expenses were deductible from gross receipts or gross sales in arriving at net profit or loss. Compensation of the proprietor was taxable income and, therefore, not allowed as a business deduction in computing net income. The deduction of net operating losses from previous years was not considered a business expense, but was offset against "other income" on the proprietor's income tax return.

Information on sole proprietorships, business receipts, and expenditures can be found in the annual summer issue of the *Statistics of Income Bulletin*.

**Capital Assets**

See "Sales of Capital Assets Net Gain or Loss."

**Capital Gain Distributions Reported on Form 1040** (line 14, Form 1040)

These distributions included long-term capital gains either credited or distributed to individual taxpayers by regulated investment companies, mutual funds, and real estate investment trusts. Usually, taxpayers reported capital gains distributions on Schedule D (Capital Gains and Losses), but they could enter the distributions directly on line 14 of Form 1040 if they had no other gains or losses to report on Schedule D.

**Capital Gains and Losses**

See "Sales of Capital Assets Net Gain or Loss."

**Casualty and Theft Loss, Nonbusiness**  
(line 18, Schedule A)

Nonbusiness casualty and theft losses were deductible, as an itemized deduction, from adjusted gross income to the extent that nonreimbursable net loss for each such casualty or theft exceeded \$100, and the combined amount for all net losses during the year exceeded 10 percent of adjusted gross income. Beginning with 1987, a deduction for a casualty or theft loss covered by insurance could be taken only if an insurance claim for reimbursement was filed promptly.

**Child Care Credit ▲**  
(line 41, Form 1040)

This credit could be claimed by taxpayers who, while employed, incurred expenses for the care of dependent children under age 13 for 1989 (under age 15 for 1988), or disabled dependents of any age. Qualifying expenses included those for services performed within the home by non-dependent baby-sitters, maids, or cooks. Expenditures paid for the care of children under the age of 13 or any other qualified individuals for out-of-home non-institutional care qualified for the child care credit.

The maximum amount of employment-related expenses to which the credit could be applied was the lesser of earned income or \$2,400 if one qualifying child or dependent was involved, and the lesser of earned income or \$4,800 if more than one dependent was involved. For returns of married couples filing jointly, earned income refers to the earnings of the spouse with the lesser earned income. Exceptions were allowed if the spouse was disabled or a full-time student.

The credit was equal to 30 percent of expenses related to employment for taxpayers with adjusted gross income of \$10,000 or less. The credit was reduced by one percentage point for each \$2,000 increment of adjusted gross income in excess of \$10,000 up to \$28,000. The credit remained at 20 percent of expenses for individuals with adjusted gross income of \$28,000 or more.

The amount of the credit which could be claimed was limited to income tax before credits, and any excess was not refundable.

**Contributions Deduction**  
(line 17, Schedule A)

Taxpayers could deduct contributions to organizations that were religious, charitable, educational, scientific, or literary in purpose. Contributions could be in cash, property, or out-of-pocket expenses that a taxpayer paid to do volunteer work for a qualified organization. Contributions were allowed as an itemized deduction on Schedule A.

**Credit for Federal Tax on Gasoline and Special Fuels**  
(line 61, Form 1040)

This credit (claimed on Form 4136) was allowed for Federal excise taxes paid on gasoline and special fuels, such as gasohol and diesel fuel, if they were used for certain nontaxable or reduced-tax-rate purposes (such as farm or off-road use). The credit could reduce unpaid total tax liability or could be refunded. A one-time credit (or refund) was allowed to the original purchaser of a new, qualified diesel-powered highway vehicle after January 1, 1985.

**Credit for the Elderly and Disabled**  
(line 42, Form 1040)

A credit (claimed on Schedule R) for the elderly and permanently and totally disabled was available to taxpayers age 65 or older (within certain income limitations), and to those taxpayers under age 65, who had retired with a permanent and total disability, and who had received taxable income from a public or private employer because of that disability. An individual was considered permanently and totally disabled when he or she could not engage in any substantial gainful activity because of a physical or mental condition which had lasted, or was expected to last, at least 12 months, or was determined to be terminal.

The maximum credit available was \$1,125 and was limited to total income tax with any excess not refundable, and was reduced if the taxpayer's income exceeded certain levels. Generally, if a taxpayer's income was high enough to require the reporting of social security benefits as taxable income, the taxpayer could not take the credit.

#### **Credit from Regulated Investment Companies** (line 62, Form 1040)

Taxpayers were required to include in total payments any amounts which were allocated to them as undistributed capital gains of regulated investment companies. If investment companies paid tax on the capital gain, taxpayers were entitled to claim a refundable credit for their proportionate share of the tax paid.

#### **Credit to 1990 Estimated Tax** (line 66, Form 1040)

This credit was the part of the overpayment of 1989 tax which taxpayers specifically requested to be credited to their estimated tax for 1990. (See also "Overpayment" and "Estimated Tax Payments.")

#### **Dividends** (line 9, Form 1040)

Dividend income consisted of distributions of money, stock, or other property received by taxpayers from domestic and foreign corporations, either directly or passed through estates, trusts, or partnerships. Dividends also included distributions from money market mutual funds.

Dividends did not include nontaxable distributions of stock or stock rights, returns of capital, capital gains, or liquidation distributions. Taxpayers were also instructed to exclude so-called dividends on deposits or withdrawable accounts in mutual savings banks, cooperative banks, savings

and loan associations, and credit unions, which were to be treated as interest income.

#### **Earned Income Credit ▲** (line 58, Form 1040)

The maximum credit for 1989 was \$910, and the amount not used to offset income tax liability could be refunded. The credit was available to workers who had a child living with them for more than half the year and whose earned income and adjusted gross income were each less than \$19,340. The credit was based on earned income, consisting of wages, salaries, and other employee compensation, plus net earnings from self-employment. Taxpayers could not take the credit if their filing status was single or married filing separately, or they claimed the foreign income exclusion.

For this report, the earned income credit was divided into three parts: the amount used to offset income tax before credits (limited to the amount needed to reduce income tax after credits to zero); the amount used to offset all other taxes (limited to the amount needed to reduce total tax liability to zero); and the refundable portion. (See also "Advance Earned Income Credit Payments.")

#### **Employee Business Expenses ▲** (line 20, Schedule A)

For 1989, an accounting change was made for employee business expenses. Since most taxpayers could only claim employee business expenses as an itemized deduction on Schedule A, the adjustment line on Form 1040 was dropped. The Schedule A amount was limited, along with other miscellaneous itemized deductions on Schedule A, to the amount that exceeded 2 percent of adjusted gross income. Employee business expenses included the cost of transportation, meals, lodging, and entertainment while away from home in the performance of services as an employee. Only 80 percent of business-related meal and entertainment expenses were eligible for deduction.

If employees accounted for deductible expenses to their employers, they were not required to report the reimbursement in income unless the amount of reimbursement exceeded expenses.

### **Estate or Trust Net Income or Loss**

(line 37, Schedule E, Part III)

This was the beneficiary's share of fiduciary income (with the exception of the items described below, which were reported separately) from any estate or trust. Income from estates or trusts included amounts required to be distributed, amounts credited to beneficiaries' accounts from current-year fiduciary income (whether or not actually received), and any other amounts which were properly paid, credited, or required to be distributed for that year.

Taxpayers excluded from estate or trust income their share of dividends and gains or losses from sales of capital assets and other property. Such income (which made up the largest portion of income from estates or trusts) was included on the tax return on the separate lines provided for these income types and was not separately identified for the statistics. A loss from an estate or trust was allocated to the beneficiary only upon settlement or termination of an estate or trust and was limited by the "passive loss" rules.

For the tables, if a return showed net income from one estate or trust, and a net loss from another, that return was tabulated in both the "total income" and "total loss" columns. The columns labeled "net income" and "net loss" represent the sum of all income and losses reported from all estates or trusts, i.e., the net amount computed on a return-by-return basis.

### **Estimated Tax Payments**

(line 57, Form 1040)

This figure represented the total of the tax payments made for 1989 using Form 1040ES and any overpayment from the taxpayer's 1988 return that was applied to 1989 estimated tax. Generally, individuals were required to make estimated tax

payments if they expected to owe, after subtracting withholding and credits, at least \$500 in tax for 1989, and they expected withholding and credits to be less than the smaller of: (a) 90% of the tax shown on Form 1040 for 1989, or (b) 100% of the tax shown on Form 1040 for 1988.

### **Excess Social Security Taxes Withheld ▲**

(line 60, Form 1040)

If a taxpayer earned more than \$48,000 (\$45,000 for 1988) in total wages from two or more employers in 1989, too much social security (FICA) or Railroad Retirement Act (RRTA) tax may have been withheld from his or her wages. Filers claim credit for such overpayment on their tax returns. The excess social security tax withheld could be taken as a credit toward payment of the taxpayer's income tax. In the case of a joint return, the credit was computed separately for each taxpayer.

### **Exemptions ▲**

(lines 6, 36, Form 1040)

In the computation of taxable income, a \$2,000 (\$1,950 for 1988) deduction was allowed for each exemption claimed. In general, an exemption was allowed for each taxpayer and dependent shown on a return. If an individual who could be claimed as a dependent by another taxpayer filed a return, that individual could not claim his or her own exemption.

In general an individual had to meet five requirements to qualify as a dependent for 1989:

- 1) The individual received more than half of his or her support for 1989 from the taxpayer;
- 2) The individual was related to the taxpayer (such as a son, daughter, or parent) or was a member of the same household for the entire year;
- 3) The individual did not file a joint return with his or her spouse;

4) The individual met certain citizenship requirements;

5) The individual's gross income was less than \$2,000. An exception to the income limitation was granted to children under age 19, or full-time students under age 24.

### **Farm Net Income or Loss** (line 19, Form 1040)

This source of income was reported by individuals who were sole proprietors of a farm. When there were two or more farms operated by the same taxpayer, the single amount of profit or loss included in adjusted gross income represented the combined profit and loss from all farming activities. Farm business costs and expenses were deductible from farm gross receipts in arriving at farm net profit or loss.

Gains from certain sales of livestock and crops that qualified for capital gains treatment were excluded from farm net profit or loss and included in capital gains. Farm rental income was included in rent net income or loss (See also "Farm Rental Income or Loss".)

### **Farm Rental Income or Loss** (line 28, Schedule E)

Taxpayers were required to report farm rental income and expenses separately from other farm profit or loss if they:

- received income that was based on crops or livestock produced by the tenant, and
- did not manage or operate the farm to any great extent.

### **Filing Status**

See "Marital Filing Status."

### **Foreign Earned Income Exclusion** (line 22, Form 1040)

Qualified taxpayers could exclude from total income a certain amount of their foreign earned income and employer-provided foreign housing expenses if their home, for tax purposes, was in a foreign country.

Qualified individuals were limited to the lesser of a \$70,000 exclusion or their total foreign earned income. Also, they could elect to exclude a portion of employer-provided foreign housing expenses. If the taxpayer elected to take both the foreign earned income and foreign housing exclusions, the total amount of both exclusions was limited to the taxpayer's total foreign earned income.

In this report, the foreign earned income exclusion includes the foreign housing exclusion.

### **Foreign Tax Credit** (line 43, Form 1040)

Individuals who paid income or excess profit taxes to a foreign country or U.S. possession could claim either this credit against Federal income tax liability, or an itemized deduction for the amount of the foreign tax payment. Depending on the taxpayer's income and taxes, the foreign tax credit could be less than the amount of foreign tax paid. Qualifying foreign taxes paid in excess of the allowable amount for Tax Year 1989 could be carried back 2 years and then forward 5 years.

### **Forfeited Interest Penalty Adjustment** (line 28, Form 1040)

Taxpayers who paid penalties for the premature withdrawal of funds from time savings accounts or deposits could deduct those penalties as an adjustment to total income.

### **General Business Credit** (line 44, Form 1040)

The general business credit consisted of the investment credit, the jobs credit, the alcohol fuel

credit, the low-income housing credit, and the research credit. Taxpayers claiming more than one of the business credits were required to summarize them on Form 3800, General Business Credit. The general business credit was limited to 100 percent of the first \$25,000 (\$12,500 for a married couple filing separately) of tax liability and 75 percent of the excess over \$25,000. If the current year general business credit exceeded the tax liability limitation, the excess amount could be carried back to the 3 preceding tax years, then forward 15 years.

### **Home Mortgage Interest Deduction**

See "Interest Paid Deduction."

### **Income Subject to Tax**

See "Modified Taxable Income."

### **Income Tax After Credits**

(line 47 less line 58 (earned income credit), Form 1040)

To arrive at income tax after credits, taxpayers deducted total credits (line 46, Form 1040) from income tax before credits (line 40, Form 1040). For the statistics, tax was further reduced by the portion of the earned income credit which did not result in a negative tax. This portion of the earned income credit was included in the total credits as "earned income credit used to offset income tax before credits." Any tax remaining was tabulated as "income tax after credits."

### **Income Tax Before Credits**

(line 40, Form 1040)

This amount consisted of the tax liability on taxable income, computed by using the tax tables, tax rate schedules, Form 8615, or Form(s) 8814, plus any additional taxes (line 39). (See also "Tax Generated.")

### **Income Tax Withheld**

(line 56, Form 1040)

Income tax withheld included amounts deducted from salaries, wages, and tips, as reported on Form W-2, and from pensions, annuities, and certain gambling winnings as reported on Forms W-2P and W-2G. Amounts withheld from total distributions of profit-sharing, retirement plans, and individual retirement arrangements were reported on Form 1099-R.

In some cases, a backup withholding rate of 20 percent was required for interest, dividend, and royalty payments, which, generally, were not subject to withholding.

### **Individual Retirement Arrangement Deductible Payments**

(lines 24 and 25, Form 1040)

An individual retirement arrangement (IRA) is a savings program that allows a taxpayer to set aside money for retirement. Beginning in 1987, the deduction for IRA contributions was reduced or eliminated for taxpayers who were covered by an employer retirement plan and whose adjusted gross income exceeded certain levels. (Nondeductible contributions were still allowed for such taxpayers.) Deductible contributions could be deducted from the employee's total income in arriving at adjusted gross income.

Contributions to an IRA (whether or not they were deductible) were limited to the lesser of:

- (1) an individual's taxable compensation for the year; or
- (2) \$2,000 (\$2,250 if a nonworking spousal IRA was included).

Unless they were disabled, taxpayers could not start withdrawing funds from the account until they reached age 59-1/2. After age 70-1/2 taxpayers were required to begin withdrawals. Penalty taxes were assessed if the taxpayer failed to comply with these limitations.



Individuals could also set up an IRA to include a nonworking spouse who met certain qualifying conditions. The total IRA deduction, including both the taxpayer and nonworking spouse, could not exceed \$2,250. A spousal IRA deduction is tabulated in the statistics as "secondary IRA payments."

To be deductible, payments to an IRA for a particular taxable year must be made not later than the due date of the individual's return for that year.

### **Individual Retirement Arrangement Taxable Distributions** (line 16b, Form 1040)

Any money or property received from a taxpayer's IRA account was considered a distribution and, generally, had to be included in the taxpayer's total income in the year received. An exception to this rule was tax-free rollover distributions from one retirement account to another, or to the extent to which the payout represented previous non-deductible IRA contributions.

### **Interest Paid Deduction ▲** (line 13, Schedule A)

Interest expenses, except for business or investment, were divided into two categories: personal interest and deductible home mortgage interest. Personal interest included items such as credit card interest, revolving charge account interest, and interest on bank loans. Only 20 percent of personal interest was deductible for 1989, whereas 40 percent was deductible for 1988.

The rules for deducting home mortgage interest for 1989 were: (1) if a taxpayer took out a mortgage *before* October 14, 1987, secured by the taxpayer's main or second home, all the interest was deductible, (2) if the taxpayer's mortgage was *after* October 13, 1987, and the funds were used to buy, build, or improve that home, all interest could be deducted if the total of all mortgages on the property was \$1 million or less, and (3) taxpayers could deduct all of the interest on an additional \$100,000 of mortgages on their main or second home other than to buy, build, or improve that home.

Generally, investment interest (interest paid on money borrowed that is allocable to property held for investment) was fully deductible up to the amount of net investment income. Interest relating to business, royalty, and rental income was deducted directly from these items and was not reflected in the interest paid statistics.

### **Interest Received**

See "Taxable Interest Received."

### **Interest, Tax-Exempt**

See "Tax-Exempt Interest."

### **Itemized Deductions**

See "Total Itemized Deductions" and specific types.

### **Marginal Tax Rates**

Different portions of taxable income are taxed at different rates. The tax rate applied to the last dollar of income is called the "marginal tax rate" for that return (See also "Tax Generated".)

### **Marital Filing Status** (lines 1-5, Form 1040)

The five marital filing status classifications were:

- (1) returns of single persons (not heads of households or surviving spouses);
- (2) joint returns of husbands and wives;
- (3) separate returns of husbands and wives;
- (4) returns of heads of households; and
- (5) returns of surviving spouses.

Marital status was usually determined as of the last day of the taxable year. If one spouse died during the tax year, the other was considered married for the entire year. If a taxpayer was divorced during the tax year and did not remarry, the taxpayer was considered to be unmarried for the entire year.

### **Medical and Dental Expense Deduction** (lines 1-4, Schedule A)

Qualified medical expenses included payments made for the diagnosis, treatment, or prevention of disease or for medical or dental insurance. However, taxpayers who took the self-employed health insurance adjustment had to reduce their total premiums by the amount of the adjustment (see "Self-Employed Health Insurance"). In general, medical and dental expenses could be claimed as an itemized deduction to the extent that they exceeded 7.5 percent of adjusted gross income. Amounts paid for medicine and drugs were deductible only if they were not available except by prescription or were for insulin. Taxpayers could also deduct a maximum of \$50 per day for certain lodging expenses incurred while travelling to obtain medical care.

### **Minimum Tax Credit** (line 45, Form 1040)

A minimum tax credit could be taken for 1989 by certain taxpayers who paid alternative minimum tax for 1988. The credit was that part of the 1988 alternative minimum tax based on adjustments or preference items that deferred tax rather than caused permanent avoidance of tax. If all of the minimum tax credit could not be used for 1989, the excess could be carried forward to later years.

### **Miscellaneous Itemized Deductions ▲** (lines 20-25, Schedule A)

For 1989, the base rate for the first telephone line into a taxpayer's residence became a non-deductible expense, even if it was used for business- or investment-related purposes. Other

miscellaneous itemized deductions were divided into two tiers. The first tier included those items that were limited to the amount that exceeded 2 percent of adjusted gross income, while the expenses included in the second tier were fully deductible.

#### *Limited Miscellaneous Deductions:*

Unreimbursed employee business expenses, tax preparation fees, and those expenses of producing income (including qualifying educational expenses), were limited to the amount that exceeded 2 percent of adjusted gross income.

#### *Other Miscellaneous Deductions:*

Other, fully deductible expenses included such items as gambling losses (limited to gains), impairment-related work expenses for handicapped people, and amortizable bond premiums.

### **Modified Taxable Income ▲**

"Modified taxable income" is the term used to describe "income subject to tax," the actual base on which tax is computed for the statistics in Tables 3.4 and 3.5. For taxpayers filing current year returns, modified taxable income is identical to "taxable income" except for those upper income taxpayers paying both average and marginal tax rates of 28 percent. For these taxpayers the deduction for personal exemptions was phased out and their "income subject to tax" became taxable income plus some or all of the exemption amount.

For prior year returns included in the 1988 statistics, a modified taxable income was computed. This was calculated by using the tax rate schedule to impute a hypothetical taxable income amount necessary to yield the given amount of tax reported.

### **Moving Expense Deduction** (line 19, Schedule A)

An employee who had to move to a new residence as a result of changing jobs could claim certain expenses for moving and house hunting as an itemized deduction. For employees to qualify for this deduction, the new job location had to be

at least 35 miles farther from the former residence than the old job was. Deductible expenses included those incurred while moving household and personal goods, as well as in travel, meals, and lodging of the taxpayer and household members en route to the new residence. (Additional deductible expenses included pre-move house search trips, and the cost of selling a residence or breaking a lease.)

#### **Nondeductible Passive Losses ▲** (calculated on Form 8582)

See "Changes in Law section," Section 1.

#### **Nontaxable Returns**

See "Taxable and Nontaxable Returns."

#### **Other Adjustments ▲** (included in line 30, Form 1040)

See "Statutory Adjustments."

#### **Other Income ▲** (line 22, Form 1040)

For 1989, jury duty pay had to be included in other income. If individuals were required to give the jury duty pay to their employer because they continued to receive their wages while on jury duty, they could deduct the amount turned over to the employer as an adjustment to income. Also included in other income were items such as prizes, awards, sweepstakes winnings, gambling winnings, recoveries of bad debts, insurance received as reimbursement for medical expenses taken as a deduction in a previous year, and any other income subject to tax for which no specific line was provided on the return form. Any "net operating loss" in an earlier year that was carried forward and deducted for 1989 was entered as a negative amount on this line by the taxpayer but edited into a separate field during service center processing.

#### **Other Tax Credits** (included in line 46, Form 1040)

"Other tax credits" is a residual category in the statistics and does not relate to a line item on a tax form. It included the "credit for fuel from a nonconventional source" and other miscellaneous credits that did not belong in any other category and were used to offset income tax before credits.

#### **Overpayment** (line 64, Form 1040)

An overpayment of tax occurred when the "total payments" exceeded "total tax". Total payments included the amount of any "refundable portion of the earned income credit." Overpayment could be refunded or credited toward the estimated tax for the following year. (See also "Credit to 1990 Estimated Tax" and "Refund.")

#### **Overpayment of Windfall Profit Tax** (included in line 63)

A "windfall profit" excise tax was imposed on producers of crude oil, but the tax was withheld and reported by the first purchaser of such oil. If too much tax was withheld in the course of the year, the producer could claim a refund on his or her income tax return. The excess payment was entered in the margin of the tax payments section of the Form 1040.

#### **Parent's Election to Report Child's Interest and Dividends**

Beginning with 1989, a parent could report on his or her return, income received by his or her child. If the election was made, the child was not required to file a return. A parent could make this election only if his or her child:

- Was under age 14 on January 1, 1990;
- Had income only from interest and dividends;
- Had gross income for 1989 that was more than \$500 but less than \$5,000;

- Did not have any overpayment of tax shown on his or her 1988 return applied to the 1989 return; **and**
- Had no Federal income tax withheld from his or her income (backup withholding).

If the parents were not filing a joint return, special rules applied to determine which parent could make the election.

### **Partnership and S Corporation Net Income or Loss**

(lines 31, 32, Schedule E)

Since partnerships and S corporations (formerly Subchapter S corporations) are not taxable entities, tax on their net profit or loss was levied, in general, directly on the members of the partnership or shareholders of the S corporation. The profit or loss shown in the statistics was the taxpayer's share of the ordinary gain or loss of the enterprise and certain payments made to the taxpayer for the use of capital or as a salary. Net long-term capital gain retained its character in the hands of the partners or stockholders and was included in the statistics for net gain or loss from sales of capital assets.

If a return showed net income from one partnership or S corporation and a net loss from another, the two were added together and the return was tabulated by the net amount of income or loss in the appropriate column. Beginning in 1987, net income and net loss were reported separately for passive and non-passive partnership and S corporation activities. Passive losses were limited under new rules to the amount that could offset passive income.

### **Payment with Request for Extension of Filing Time**

(line 59, Form 1040)

This payment was made when the taxpayer filed Form 4868, Application for Automatic Extension of Time to File U.S. Individual Income Tax Return or Form 2688, Application for Additional Extension of Time to File. The extension granted the taxpayer an additional period of time to file a

tax return, but it did not extend the time for payment of expected tax. Full payment of any tax due had to be made with the application for extension.

### **Payments to a Keogh Plan**

(line 27, Form 1040)

Self-employed individuals were allowed to contribute to a Keogh retirement plan or a "simplified employment pension" (SEP) plan for themselves and to deduct all or a part of such contributions in computing adjusted gross income. The amount which could be deducted was based on net earnings from self-employment.

### **Penalty Tax on Qualified Retirement Plans**

(line 52, Form 1040)

If taxpayers withdrew any funds from an Individual Retirement Arrangement or qualified retirement plan before they were either age 59-1/2 or disabled, they were subject to a penalty tax equal to 10 percent of the premature distribution. Any taxpayer who failed to withdraw the minimum required distribution after reaching age 70-1/2 had to pay a 50 percent excise tax on the excess accumulation. Contributions to the retirement arrangement in excess of the legal limitation for the year (the lesser of \$2,000 or the taxpayer's compensation for the year) were subject to an excise tax equal to 6 percent of the excess contribution.

### **Pensions and Annuities**

(lines 17a, 17b, Form 1040)

Generally, pensions are periodic income received after retirement for past services with an employer, while annuities are income payable at stated intervals after payment of a specific premium. A taxpayer could acquire a pension or annuity either by purchase from a commercial organization (usually life insurance, endowment, or annuity contracts) or under a plan or contract connected with the taxpayer's employment. Those pensions or annuities obtained in connection with employ-

ment could be purchased entirely by the taxpayer or could be financed in part (a contributory plan) or in whole (a non-contributory plan) by contributions of the employer.

Since a non-contributory pension was paid for entirely by an employer, the amount received by the employee was fully taxable. This fully taxable pension was reported on lines 17a and b. For the taxpayer who participated in a contributory retirement plan while employed, the amount received was only partially taxable. In general, the amount excludable from gross income, the nontaxable portion, represented the taxpayer's contributions under the plan, while the taxable portion represented the employer's contribution and earnings on the entire investment. The nontaxable portion had to be amortized over the expected lifetime of the taxpayer.

The entire amount of pensions and annuities received for the year was reported on line 17a of the Form 1040. The taxable portion was computed on a separate worksheet and entered on line 17b, "Taxable amount."

#### **Predetermined Estimated Tax Penalty** (included in line 67, Form 1040)

If a return showed taxes of \$500 or more owed on line 67 (tax due at time of filing) *and* this amount was more than 10 percent of the total tax, taxpayers could owe a penalty, unless tax payments in the current year equalled or exceeded prior year tax liability (provided prior year liability was greater than zero). Also, taxpayers could owe a penalty if they underpaid their 1989 estimated tax liability for any payment period. Form 2210 was used to determine the amount of a penalty, if any.

For this report, the predetermined estimated tax penalty includes only the amount calculated by the taxpayer when the return was initially filed.

#### **Refund** (line 65, Form 1040)

A refund of tax included all overpayment of income taxes not applied by the taxpayer as a

credit to the next year's estimated tax. (See also "Overpayment.")

#### **Regular Tax Computation**

Typically, the taxpayer, in determining the amount of "tax generated," first computed taxable income. Depending on marital status and size of taxable income, the taxpayer then used the tax tables or applied the rates from one of four tax rate schedules to determine tax. Returns of taxpayers who had taxes computed by the Internal Revenue Service were classified under the regular tax computation method.

#### **Rent and Royalty Net Income or Loss ▲** (line 27, Schedule E)

This amount is the combination of rent net income, rent net loss, royalty net income, and royalty net loss.

#### **Rent Net Income or Loss ▲** (line 23, columns A,B,C, Schedule E)

Rent net income or loss was determined by deducting from gross rent, the amounts for depreciation, repairs, improvements, interest, taxes, commissions, advertising, utilities, insurance, janitorial services, and any other allowable expenses related to the rented property. Beginning with 1987, new "passive loss" rules limited the losses that could be claimed for rental activities and for 1988 and 1989 losses were further limited. In the statistics, total rental net loss includes passive losses that were not deductible in figuring AGI. (Passive losses are discussed under Changes in Law, Section 1.)

#### **Royalty Net Income or Loss** (line 23, columns A,B,C, Schedule E)

Net royalties consisted of gross royalties less deductions for depletion, depreciation, office rent, legal fees, clerical help, interest, taxes, and similar items. Gross royalties included revenues from oil,

gas, and other mineral rights; revenue from patents; and revenue from literary, musical, or artistic works. Certain royalties received under a lease agreement on timber, coal, and domestic iron ore were eligible for capital gains or ordinary loss treatment under Code section 1231. As a result of the separate computation, those royalties are reflected in the statistics for "sales of capital assets" and "sales of property other than capital assets." (See also "Total Rent and Royalty Income or Loss in AGI.")

## S Corporations

See "Partnership and S Corporation Net Income or Loss."

## Salaries and Wages (line 7, Form 1040)

Salaries and wages as reported on the tax return were amounts of compensation primarily for personal services. The following items were included:

- salaries;
- wages;
- commissions;
- bonuses;
- tips;
- fees;
- excess reimbursement over employee business expenses;
- moving expense allowances;
- the difference between the fair market value of certain property and the discount price for which it was purchased by a taxpayer from his or her employer;
- severance pay;
- sick pay;
- the value of exercising a stock appreciation right;
- vacation allowances;
- most disability payments;
- strike and lockout benefits; and
- the value of certain non-monetary payments for services (e.g., merchandise, accommodations, certain meals or lodging, certain stock purchase plans, or property).

Identifiable amounts for any of these categories which may have been reported by taxpayers as "other income" were treated as salaries and wages for the statistics.

## Sales of Capital Assets Net Gain or Loss ▲ (line 13, Form 1040)

In general, capital assets for tax purposes included all property held for personal use or investment. Examples of such assets were personal residences, furniture, automobiles, and stocks and bonds. Most assets used for business activities were specifically excluded from treatment as capital assets. (See also "Sales of Property Other Than Capital Assets, Net Gain or Loss".)

The following concepts were used in the computation of net capital gain or loss for this report:

*Net capital gain:* If the combination of net short-term gain or loss and net long-term gain or loss resulted in a positive amount, the taxpayer had a net capital gain. The full amount of this gain, whether short-term or long-term was included in adjusted gross income. The holding period was one year or less for short-term assets, and longer than one year for long-term assets.

*Net capital loss:* If the combination of net short-term gain or loss and net long-term gain or loss resulted in a negative amount, the taxpayer showed a net capital loss. The amount of net capital loss to be included in adjusted gross income was limited to the smaller of the actual net capital loss or \$3,000 (\$1,500 for married persons filing separately). Any excess capital losses over the \$3,000 limit could be carried over to subsequent tax years ("capital loss carryover" in the statistics).

Net capital gain or loss also included capital gain distributions which were not reported on Schedule D (Capital Gains and Losses and Reconciliation of Forms 1099-B). These capital gain distributions were entered directly on line 14 of Form 1040 if the taxpayer did not have any other gains or losses to report on Schedule D. These distributions were, by definition, long-term capital gains. (See also "Capital Gain Distributions Reported on Form 1040.")

**Sales of Property Other Than Capital Assets,  
Net Gain or Loss (line 15, Form 1040)**

Property other than capital assets generally included property of a business nature, in contrast to personal and investment property which were capital assets. Some types of property specifically included in this group were:

- (1) certain depreciable, depletable, and real business property;
- (2) accounts and notes receivable in the ordinary course of business generated from the sale of goods and services ordinarily held for sale by the business or includable in the inventory of the business;
- (3) certain copyrights, literary, musical, or artistic compositions, or similar properties; and
- (4) amounts resulting from certain "involuntary conversions," including net losses from casualty and theft.

Taxpayers reported all gains and losses not receiving capital gains treatment on Form 4797, *Gains and Losses From Sales or Exchanges of Assets Used in a Trade or Business and Involuntary Conversions*.

**Self-Employed Health Insurance  
(line 26, Form 1040)**

Self-employed individuals could deduct, as an adjustment, up to 25 percent of the amount paid for medical insurance for themselves and their families. If the taxpayer had other employees working for his or her business, they must have been offered nondiscriminatory health insurance coverage if the taxpayer was to qualify for the deduction.

The 25 percent adjustment could not exceed the net earnings from the business in which the insurance plan was established. The balance of the health insurance cost was included with other medical care expenses as an itemized deduction subject to the 7.5 percent deduction threshold based on AGI. However, self-employed persons

were not allowed this deduction if they or their spouses were employees and eligible to participate in an employer-subsidized health plan.

**Self-Employment Tax ▲  
(line 48, Form 1040)**

This tax, levied under the social security system, was reported by most individuals who had self-employment earnings of at least \$400 derived from a sole proprietorship or from their share of partnership profits. Some types of income (such as dividends, interest, and capital gains and losses) and certain deductions (such as net operating losses, and casualty and theft losses) were not allowed in computing self-employment earnings.

The maximum net earnings subject to self-employment tax for 1989 increased to \$48,000 from \$45,000 for 1988. The net self-employment tax rate for 1989 remained at 13.02 percent.

**Size of Adjusted Gross Income  
(line 31, Form 1040)**

The amount of adjusted gross income reported by the taxpayer on the return was the basis for classifying data by size of adjusted gross income. Returns without positive adjusted gross income, such as deficit returns or returns on which income and loss were equal, were classified as having "no adjusted gross income" and appear as a separate class in most basic tables. The absence of a class labeled "no adjusted gross income" indicates that any deficit or break-even returns in a table were included in the lowest income size class.

**Social Security Benefits  
(lines 21a, 21b, Form 1040)**

Social security benefits include any monthly benefit under title II of the Social Security Act or the part of a "tier 1 railroad retirement benefit" that was equivalent to a social security benefit. Social security benefits are not taxable unless the taxpayer's total income (including tax-exempt interest) plus one-half of total social security benefits exceeds certain levels. The maximum taxable amount was one half of the net social

security benefits received. Social security benefits received were reported on Form 1040, line 21a with only the taxable portion reported on line 21b. Taxpayers who had no taxable benefits were not required to show the total benefit on their income tax returns.

### **Social Security Taxes on Tip Income** (line 51, Form 1040)

This amount consisted of social security tax on unreported tip income and uncollected employee social security tax on tips.

Cash tips amounting to \$20 or more received by the taxpayer in a month while working for any one employer were subject to withholding of income tax and social security tax (or the equivalent railroad retirement tax). If the employer was unable to withhold the social security tax, the amount of uncollected social security tax on tips was indicated on the employee's Form W-2, and the taxpayer was required to report the uncollected tax and pay it with the Form 1040. If the employee did not report the tips to the employer, the employee was required to compute the social security tax on unreported tips on Form 4137 and attach it to Form 1040.

### **Standard Deduction ▲** (line 34, Form 1040)

For 1989, the *basic* standard deduction was increased. Taxpayers who were age 65 or over or blind could claim an *additional* standard deduction amount of \$600 or \$750. Both the basic and additional standard deduction were determined by filing status, as shown below.

#### *Single*

- Basic deduction of \$3,100;
- Each taxpayer 65 or over or blind was allowed an additional \$750 deduction each for age and blindness.

#### *Married filing jointly or qualifying widow(er)*

- Basic deduction of \$5,200;
- Each taxpayer 65 or over or blind was allowed an additional \$600 deduction each for age and blindness.

#### *Married, filing separately*

- Basic deduction of \$2,600;
- Each taxpayer 65 or over or blind was allowed an additional \$600 deduction each for age and blindness.

#### *Head of Household*

- Basic deduction of \$4,550;
- Each taxpayer 65 or over or blind was allowed an additional \$750 deduction each for age and blindness.

In the statistics, the basic standard deduction was tabulated for all taxpayers who claimed it, including those who were 65 or over or blind. The "additional standard deduction" total included only the additional amount that was taken by those taxpayers who were 65 or over or blind.

### **State Income Tax Refund** (line 10, Form 1040)

This amount was the refund of State income tax that was claimed as an itemized deduction in a prior year, only to the extent that such deduction reduced taxes in the prior year.

### **Statutory Adjustments ▲** (lines 24-30, Form 1040)

These were the adjustments to total income which were allowed as deductions in arriving at adjusted gross income. For 1989, statutory adjustments included jury duty pay received by the taxpayer and given to the employer if the taxpayer continued to receive wages while on jury duty, payments to a self-employed Keogh retirement plan or a "simplified employee pension" (SEP), forfeited interest penalty, payments to an individual retirement arrangement (IRA), alimony paid, the self-employed health insurance deduction, and the foreign housing deduction. Each of the above items is described separately in this section. In addition, statutory adjustments included the forestation/reforestation amortization deduction and the repayment of supplemental unemployment benefits under the Trade Act of 1974. These amounts were included in the "Other Adjustments" category in the statistics.



### **Tax Due at Time of Filing** (line 67, Form 1040)

"Tax due" was reported on returns on which total tax liability exceeded total tax payments.

### **Tax From Recomputing Prior-Year Investment Credit** (line 50, Form 1040)

The investment tax credit provisions of the law included a recapture rule which required taxpayers to pay back some or all of any investment credit previously taken on property disposed of before the end of the useful life claimed in computing the credit. The law specified that if property qualifying for the credit was disposed of before the end of its intended useful life, the tax for the year of disposal was increased by the difference between the credit originally claimed and the credit that would have been allowed based on the shorter actual life. Tax credits could not be applied against this additional tax.

### **Tax Generated ▲** (line 38, Form 1040)

This amount was the tax computed on modified taxable income. (See also "Modified Taxable Income.") For 1989, there were two basic tax rates, 15 and 28 percent. However, taxable income over certain levels (from \$44,900 to \$93,130 if single, \$37,425 to \$117,895 if married filing separately, \$64,200 to \$128,810 if head of household, and \$74,850 to \$155,320 if married filing jointly or a qualifying widow(er)) was subject to an additional 5 percent tax. This meant that a 33 percent marginal tax rate was applied to this part of taxable income with the purpose of phasing out the benefit of the 15 percent tax rate. At income levels immediately above those shown for each filing status, the personal exemption deduction for taxpayers and dependents was phased out, also at a 5 percent rate. Above those levels, the marginal tax rate dropped back to 28 percent. The tax generated at each of these tax rates is shown in Tables 3.4 and 3.5.

If children under age 14 had investment income that exceeded \$1,000, there were two methods of reporting this income. If the child filed his or her

own return, the investment income that exceeded \$1,000 was taxed at the parents' rate on Form 8615 and tabulated separately in Tables 3.4 and 3.5. If the parents elected to report the child's investment income on their return, they attached a Form 8814. The investment income in excess of \$1,000 was included on Form 1040, line 22. The remaining investment income was taxed at the child's rate (15 percent), added to the parents' tax on Form 1040, line 38, and was also tabulated separately in Tables 3.4 and 3.5.

On most returns, except those with additional taxes from special computations, "tax generated" equaled "income tax before credits."

### **Tax Payments** (lines 56, 57, 59-62, Form 1040)

These payments were generally made before the return was filed and were applied against tax liability to determine any amount payable or refundable at the time of filing. They consisted of the following:

- (1) income tax withheld, including backup withholding;
- (2) estimated tax payments;
- (3) payment with request for extension of filing time;
- (4) excess social security taxes or railroad retirement tax withheld;
- (5) credit for tax on certain gasoline, fuel, and oil;
- (6) credit from regulated investment companies; and
- (7) overpayment of windfall profit tax.

Each of the above is described under a separate heading in this section.

Although the earned income credit was included with tax payments on the tax return itself, for the statistics it is treated partly as a credit against income tax liability and partly as a refundable amount (See also "Earned Income Credit.")

## Tax Rates

See "Tax Generated."

## Tax-Exempt Interest (line 8b, Form 1040)

Beginning with 1987, the amount of any tax-exempt interest received or accrued during the tax year had to be shown on the tax return. Tax-exempt interest includes interest on certain State and municipal bonds, as well as any tax-exempt interest dividends from a mutual fund or other regulated investment company. This is an information reporting requirement and does not convert tax-exempt interest to taxable interest.

## Taxable and Nontaxable Returns

The taxable and nontaxable classification of a return for this report was determined by the presence of "total income tax" (the sum of income tax after credits and the alternative minimum tax). Some returns classified as "nontaxable" may have had a liability for other taxes, such as self-employment or Railroad Retirement Tax Act (RRTA) taxes, social security taxes on tip income, tax from recomputing prior-year investment credit, penalty taxes on individual retirement arrangements, Section 72 penalty taxes, advance earned income credit payments, golden parachute payments, or uncollected employee social security tax on tips. These taxes, however, were disregarded for purposes of this classification since three of the above taxes were considered social security (rather than income) taxes, and the remaining ones, except for advance earned income payments, were either based on prior year's income or were penalty taxes.

For this report, the earned income credit was treated as an amount which, first, was used to offset income tax before credits. Since the earned income credit was refundable, it was subtracted from income tax (for the statistics) after reduction by all other statutory credits. As a result, some returns became nontaxable strictly because of the

earned income credit if there was no alternative minimum tax and the earned income credit equaled or exceeded income tax before credits reduced by any other credits.

It should be noted that classification as taxable or nontaxable was based on each return as it was originally filed and does not reflect any changes resulting from audit or other enforcement activities.

## Taxable Income (line 37, Form 1040)

Taxable income was derived by subtracting from adjusted gross income any exemption amount *and* either total itemized deductions or the standard deduction. On most current year returns "taxable income" was identical to "modified taxable income", with the exception of returns for taxpayers with taxable income over certain levels, whose benefits of the 15 percent tax rate bracket and personal exemption amount were phased out. For prior year returns received during the current year filing period, taxable income was imputed from the amount of tax reported. (See also "Modified Taxable Income.")

## Taxable Interest Received (line 8a, Form 1040)

This amount was the taxable portion of interest received from bonds, debentures, notes, mortgages, certain insurance policy proceeds, personal loans, bank deposits, savings accounts, tax refunds, and U.S. savings bonds. Also included as interest were "dividends" on deposits or withdrawable accounts in mutual savings banks, cooperative banks, savings and loan associations, and credit unions. For 1989, these amounts could, in some circumstances, include a child's income which was to be taxed at the parent's rate. Most interest on State or local government obligations remained tax-exempt, but the total tax-exempt interest had to be reported on line 8b of Form 1040. It was not included in the taxpayer's income for income tax purposes (See also "Tax-Exempt Interest.")

**Taxes Paid Deduction**

(line 8, Schedule A)

Taxes allowed as an itemized deduction from adjusted gross income included personal property taxes, State and local income taxes, taxes paid to foreign countries or U.S. possessions (unless a foreign tax credit was claimed), and real estate taxes except those levied for improvements that tended to increase the value of the property. Mandatory employee contributions to a state disability fund and employee contributions to a state unemployment fund were also included. Federal taxes and State and local sales taxes were not deductible.

Taxes paid on business property were deducted separately on the schedules for business, rent, royalty, and farm income and are excluded from the "taxes paid" statistics in this report.

**Total Income Tax**

(line 47 — earned income credit amount + line 49 of Form 1040)

Total income tax was the sum of income tax after credits (from which the earned income credit was subtracted) and the alternative minimum tax. It did not include any of the other taxes which made up total tax liability. Total income tax was the basis for classifying returns as taxable or nontaxable.

**Total Itemized Deductions**

(line 34, Form 1040)

Itemized deductions from adjusted gross income could be claimed for medical and dental expenses, taxes paid, interest paid, contributions, casualty and theft losses, moving expenses, and miscellaneous deductions. The total amount of itemized deductions was tabulated only from returns showing positive adjusted gross income.

**Total Rent and Royalty Income or Loss**

This income concept consists of all rent and royalty income and loss which was used in computing adjusted gross income, farm rental income and suspended rental loss carryover from prior years. It excludes that portion of rental losses which was not deductible in computing adjusted gross income due to the passive loss rules which went into effect for Tax Year 1987. (Passive loss rules are discussed under Changes in Law.)

**Total Tax Credits ▲**

(lines 46, 58, Form 1040)

For this report, total tax credits consisted of the following:

- (1) child care credit;
- (2) credit for the elderly and disabled;
- (3) foreign tax credit;
- (4) general business credit;
- (5) minimum tax credit;
- (6) other tax credits;
- (7) mortgage interest credit and any credits on prior year returns; and
- (8) earned income credit (EIC) used to offset income tax before credits.

These amounts were deducted from income tax before credits to arrive at income tax after credits. For the statistics, the portion of the EIC which did not result in a negative amount was tabulated as "earned income credit used to offset income tax before credits." Any amount remaining of the EIC could be refunded or applied to other taxes, and

was classified separately as "earned income credit refundable portion," or "earned income credit used to offset other taxes." All other credits were limited to the amount needed to offset income tax before credits and were not refundable.

**Total Tax Liability**

(line 55 modified by the earned income credit, Form 1040)

Total tax liability was the sum of income tax after credits, the alternative minimum tax, self-employment tax, social security tax on tips, tax from recomputing prior-year investment credits, taxes from individual retirement arrangements, Section 72 penalty taxes, and tax on golden parachute payments. These taxes were then reduced by the earned income credit used to offset all other taxes (defined under "Earned Income Credit"). For the statistics, unlike the Form 1040, total tax liability did not include any advance earned income credit payments.

**Type of Tax Computation ▲**  
(line 38, Form 1040)

Tabulations in Table 3.1 include two methods of computing the tax on income subject to tax. These methods were:

- (1) regular tax, as computed from the tax tables or tax rate schedules accompanying the Forms 1040, 1040A, or 1040EZ (see also "Regular Tax Computation"); and
- (2) Form 8615, used to compute the tax on investment income of children under 14.

**Unemployment Compensation**  
(line 20, Form 1040)

Beginning in 1987, all unemployment compensation had to be included in income.

**Unreimbursed Employee Business Expenses**  
(line 20, Schedule A)

See "Employee Business Expenses."

## Section 5

## 1989 Forms and Instructions

	Page
Form 1040 and instructions . . . . .	80
Form 1040A (and Schedule 1) . . . . .	111
Form 1040EZ . . . . .	113
Schedules A & B, Itemized Deductions and Interest and Dividend Income . . . . .	114
Schedule C, Profit or Loss From Business (Sole Proprietorship) . . . . .	115
Schedule D, Capital Gains and Losses (and Reconciliation of Forms 1099-B) . . . . .	116
Schedule E, Supplemental Income Schedule . . . . .	117
Schedule F, Farm Income and Expenses . . . . .	118
Schedule R, Credit for the Elderly or the Disabled . . . . .	119
Schedule SE, Social Security Self-Employment Tax . . . . .	120
Form 2441, Credit for Child and Dependent Care Expenses . . . . .	121
Form 3800, General Business Credit . . . . .	122
Form 6251, Alternative Minimum Tax-Individuals . . . . .	123
Form 8582, Passive Activity Loss Limitations . . . . .	123
Form 8615, Computation of Tax for Children Under Age 14 Who Have Investment Income of More Than \$1,000 . . . . .	125
Form 8801, Credit for Prior Year Minimum Tax . . . . .	126
Form 8814, Parent's Election to Report Child's Interest and Dividends . . . . .	127



## Form

and Schedules  
A, B, C, D, E, F  
and SE

1040

1989

Want  
Your  
Refund  
Fast?

See Page 2



## What's inside:

A note from the Commissioner  
(page 2)

What's new for 1989 (page 2)

Free tax help (page 3)

Avoid common mistakes (page 22)

Tax table (page 45)

How to order forms and publications  
(page 56)How to make a gift to reduce the public  
debt (page 22)

Index (page 60)

## Note:

This booklet does not  
contain any tax forms.From the  
Commissioner

Dear Taxpayer,

IRS appreciates the efforts you make to file an accurate tax return. We can improve the processing of returns and issuance of refunds if you file early and use the label we sent to you. If you have a refund coming, we can process your return even faster if you file electronically.

When we went to print with this year's forms and instructions, Congress was still considering changes to the tax law. Please take note of the information included in these instructions concerning the new law.

As your new Commissioner, I assure you we are deeply committed to do everything we can to make it easier for you to comply with the tax laws. We are equally committed to simplifying tax rules and modernizing IRS' outdated equipment. This will make it easier for you to file your tax return or resolve other tax problems. We want to provide whatever assistance we can to make filing your return as easy as possible. Let us know if we can do more.

*Fred T. Goldberg, Jr.*  
Fred T. Goldberg, Jr.  
Commissioner of Internal Revenue

What's New  
for 1989?

**Fast Refund.** If you expect a tax refund for 1989, instead of making your return to IRS, you may want to have it filed electronically. When you file electronically, you receive your refund in about 3 weeks, or in about 2 weeks if you have it deposited directly into your savings or checking account. For a change, many professional tax return preparers offer electronic filing as an addition to their return preparation services. If you prepare your own return, a preparer or transmitter in your area can file your return electronically for you. For more information on electronic filing, see **Tele-Tax Information** in the index (topic no. 112). For a list of those in your area who can file your return electronically for you, call IRS toll free at 1-800-424-1040 and ask for the Electronic Filing Office.

**Refund Checks.** Be sure to cash your refund check soon after you receive it. Checks not cashed within 12 months of the date of the check will be cancelled.

**Deduction for Exemptions.** The deduction for each exemption—for you, your spouse, and dependents—has increased to \$2,000.

For 1989, you may not claim an exemption for your child who was a full-time student and was age 24 or older at the end of the year, unless the child's gross income was less than \$2,000. But the child may claim an exemption on his or her own return.

**Should You Itemize or Take the Standard Deduction?** The standard deduction has increased for most people. Because of this increase, it may be to your benefit to take the standard deduction this year even though you

itemized deductions in the past. Read the instructions for line 34 on page 16.

## Social Security Numbers for

**Dependents Age 2 or Older.** If you claim any person age 2 or older as a dependent, show that person's social security number on your return. If your dependent does not have a social security number, instructions for line 6c, column (3), on page 9.

**Increased Earned Income Credit.** You may be able to take the credit for 1989. If you earned less than \$19,340 as a child with you, the limit was \$18,576 last year. Read the instructions for line 58 on page 20 to see if you can take this credit.

**Child and Dependent Care Expenses.** You may deduct the cost of child and dependent care expenses or exclude employer-provided dependent care benefits from your income unless you report the new information about the care provider on Form 2441.

You may not claim a credit for payments made for the care of a dependent child who was age 13 or older unless the child was disabled. The age limit was 15 or older last year.

**Supplemental Medicare Premium.** If you were eligible for Medicare Part A during the year, you may owe the new supplemental Medicare premium. The premium will help pay the cost of the new Medicare catastrophic and prescription drug coverage. Read the instructions for line 54 on page 19.

**Children Under 14 May Not Have To File.** If your child was under age 14 and had income only from interest and dividends that totaled less than \$5,000, you may be able to elect to report your child's income on your return. If you do, your child will not have to file a return.

For more details, see **Exception for Children Under Age 14** on page 5.

**Employee Business Expenses.** For most people, employee business expenses are deductible only as an itemized deduction on Schedule A, line 20. However, you are under an arrangement with your employer and both of the conditions listed below apply, amounts you received under the arrangement should not have been reported to you as income on your Form W-2.

- The arrangement requires you to substantiate your expenses to your employer, AND
- The arrangement requires you to return (and you do return) any amount in excess of your substantiated expense covered under the arrangement.

If the arrangement does not meet both of the above conditions, amount you received under the arrangement should have been reported to you as wages on your Form W-2.

**Pending Legislation.** At the time these instructions were printed, Congress was considering changes that affect the **capital gain and supplemental Medicare premium rules.** When Congress completes its action, we will take steps to publicize the final rules.

**Additional Information.** If you want more information about tax law changes for 1989, get Pub. 553, **Highlights of 1989 Tax Changes.** You may also find the publications listed at the end of this booklet helpful in completing your return.

**New Publication.** An easy-to-read guide, **Pub. 2, The ABC's of Income Tax**, will help you better understand your taxes. It gives the basic rules that apply to most people, without the exceptions that apply to only a few.

## What To Look For in 1990

**Exclusion of Interest From U.S. Savings Bonds.** If you cash Series EE savings bonds issued after 1989, you may be able to exclude from income part or all of the interest on those bonds. But you must have paid higher education expenses during the year for you, your spouse, or your dependent. Get Pub. 550, Investment Income and Expenses, for details.

## Privacy Act and Paperwork Reduction Act Notice

The Privacy Act of 1974 and Paperwork Reduction Act of 1980 say that when we ask you for information, we must first tell you several things: our legal right to ask for the information, why we are asking for it, and how it will be used. We must also tell you that you have the right to refuse to give it and whether your response is voluntary, required to obtain a benefit, or mandatory under the law.

This notice applies to tax returns and any papers filed with them. It also applies to any questions we need to ask you so we can complete, correct, or process your return.

figure your tax, and collect tax, interest, or penalties.

Our legal right to ask for information is Internal Revenue Code sections 6001, 6011, and 6012(e) and their regulations. They say that you must file a return or statement with us for any tax you are liable on these sections. This is so we know who you are, and can process your return and papers.

You must fill in all parts of the tax form that apply to you. Code section 6109 and its regulations say that you must show your social security number on what you file. You do not have to check the boxes for file. Presidential Election Campaign Fund.

We ask for tax return information to carry out the tax laws of the United States. We need to figure and collect the right amount of tax.

We may give the information to the Department of Justice and to other Federal agencies, as provided by law. We may also give it to the State of New York, the District of Columbia, and U.S. commonwealths or possessions to carry out their tax laws. And we may give it to foreign governments because of tax treaties they have with the United States.

If you do not file a return, do not provide the information we ask for, or provide

fraudulent information, the law says that you may be charged penalties and, in certain cases, you may be subject to criminal prosecution. We may also have to sue you to get the tax we are owed. Credits, deductions, or adjustments shown on the tax return. This could make the tax higher or delay any refund. Interest may also be charged.

Please keep this notice with your records. It may help you if we ask you for other information. If you have questions about the rules for filing and giving information, please call or visit any Internal Revenue Service office.

## The Time It Takes To Prepare Your Return

We try to create forms and instructions that are accurate and easy to use. But some of the tax laws enacted by Congress are very complex. For some taxpayers with income mostly from wages, filling out the forms is easy. For others who have businesses, investments, stocks, rental income, or other investments, it is more difficult.

The time needed to complete and file the following forms will vary depending on individual circumstances. The estimated average times are:

**Copying, assembling, and sending the form to IRS**

Learning about the law of the form	Preparing the form
Form 1040	3 hrs., 10 min.
Sch A (1040)	2 hrs., 32 min.
Sch B (1040)	1 hr., 1 min.
Sch C (1040)	16 min.
Sch D (1040)	1 hr., 36 min.
Sch E (1040)	25 min.
Sch F (1040)	1 hr., 8 min.
Sch G (1040)	35 min.
Sch H (1040)	35 min.
Sch I (1040)	35 min.
Sch J (1040)	35 min.
Sch K (1040)	35 min.
Sch L (1040)	35 min.
Sch M (1040)	35 min.
Sch N (1040)	35 min.
Sch O (1040)	35 min.
Sch P (1040)	35 min.
Sch Q (1040)	35 min.
Sch R (1040)	35 min.
Sch S (1040)	35 min.
Sch T (1040)	35 min.
Sch U (1040)	35 min.
Sch V (1040)	35 min.
Sch W (1040)	35 min.
Sch X (1040)	35 min.
Sch Y (1040)	35 min.
Sch Z (1040)	35 min.
Sch AA (1040)	35 min.
Sch AB (1040)	35 min.
Sch AC (1040)	35 min.
Sch AD (1040)	35 min.
Sch AE (1040)	35 min.
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Sch AN (1040)	35 min.
Sch AO (1040)	35 min.
Sch AP (1040)	35 min.
Sch AQ (1040)	35 min.
Sch AR (1040)	35 min.
Sch AS (1040)	35 min.
Sch AT (1040)	35 min.
Sch AU (1040)	35 min.
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Sch BR (1040)	35 min.
Sch BS (1040)	35 min.
Sch BT (1040)	35 min.
Sch BU (1040)	35 min.
Sch BV (1040)	35 min.
Sch BW (1040)	35 min.
Sch BX (1040)	35 min.
Sch BY (1040)	35 min.
Sch BZ (1040)	35 min.
Sch CA (1040)	35 min.
Sch CB (1040)	35 min.
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### Chart B—For Children and Other Dependents

(See the instructions for line 6c on page 8 to find out if someone can claim you as a dependent.)

If someone (such as your parent) can claim you as a dependent, and any of the 4 conditions listed below applies to you, you must file a return.

#### 1. Single dependents under 65

You must file a return if—  
 Your unearned income was:  
 \$1 or more the total of that income plus your earned income was:  
 more than \$500  
 or more than \$3,100

#### 2. Single dependents 65 or older or blind

You must file a return if—  
 Your earned income was more than \$3,450, or  
 Your unearned income was more than \$1,250 (\$2,000 if 65 or older and blind), or  
 Your gross income was more than the total of your earned income (up to \$3,100) or \$500, whichever is larger, plus \$750 (\$1,500 if 65 or older and blind).

**Exception for Children Under Age 14.** If your child was under age 14 on January 1, 1990, and all of the following apply, you may elect to report your child's income on your return. If you make this election, your child does not have to file a return.  
 • Your child had income only from interest and dividends; and  
 • Your child's gross income was less than \$5,000; and

#### Who Should File

Even if you do not have to file, you should consider filing a return if you have any of the following reasons to file:  
 • You owe any special taxes, such as:  
 —social security tax on tips you did not report to your employer;  
 —uncollected social security tax or RRTA tax on tips you reported to your employer;  
 —tax on an individual Retirement Arrangement (IRA) or a qualified pension plan; or  
 —tax from recapture of investment credit.

• You received any advance earned income credit (EIC) payments from your employer(s).  
 • You had net earnings from self-employment income of at least \$400.  
 • You had wages of \$100 or more from a church or qualified church-controlled organization that is exempt from employer social security taxes.

#### When To File

You should file as soon as you can after January 1, but not later than April 15, 1990. If you file late, you may have to pay penalties and interest. See Penalties and Interest on page 22.

If you cannot file your return by the due date, you should file Form 4868, Application for Automatic Extension of Time To File U.S. Individual Income Tax Return, by April 15, 1990.

**Note:** Form 4868 does not extend the time to pay your income tax. See the Instructions for Form 4868.

If you are a U.S. citizen or resident, you may qualify for an automatic extension of time to file if, on the due date of your return, you meet one of the following conditions:  
 • You are outside the U.S. and Puerto Rico, AND you are a U.S. citizen or resident, AND your duty is outside the U.S. and Puerto Rico.

• You are in military or naval service on duty outside the U.S. and Puerto Rico.

The extension gives you an extra two months to file and pay the tax, but interest will be charged from the original due date of the return on any unpaid tax. You must attach a statement to your return showing that you meet the requirements.

#### Where To File

If an address envelope came with your nonresident alien tax return, you do not have one, or if you moved during the year, mail your

American Samoa	Philadelphia PA 19255
Guam	Commissioner of Revenue and Taxation 855 West Marine Dr. Agaña GU 96910
Puerto Rico (if excluding U.S. citizens and those living in Puerto Rico)	Philadelphia PA 19255
Virgin Islands	Virgin Islands Department of Taxation P.O. Box 9333 St. John VI 00802

U.S. citizens and those living in Puerto Rico	V.I. Bureau of Internal Revenue P.O. Box 9333 St. John VI 00802
Foreign country	Foreign country
U.S. citizens and those living in Puerto Rico	U.S. citizens and those living in Puerto Rico

U.S. citizens and those living in Puerto Rico	U.S. citizens and those living in Puerto Rico
U.S. citizens and those living in Puerto Rico	U.S. citizens and those living in Puerto Rico

#### Which Form To File

**You MAY Be Able To Use Form 1040EZ If:**

- You were single and do not claim any dependents
- You were not 65 or older OR blind
- You had only wages, salaries, tips, taxable scholarships and fellowships, and not more than \$400 of taxable interest income
- Your taxable income is less than \$50,000
- You do not itemize deductions or claim any adjustments to income or tax credits

**You MAY Be Able To Use Form 1040A If:**

- You had income only from wages, salaries, tips, taxable scholarships and fellowships, or dividends
- You did not itemize deductions
- Your taxable income is less than \$50,000
- You do not itemize deductions
- You had income from a U.S. IRA, or a U.S. IRA that was converted to a non-U.S. IRA, and the credit for child and dependent care expenses. You may use it even if you owe the new supplemental Medicare premium

Since Forms 1040A and 1040EZ are easier to complete than Form 1040, you should use one of them unless using Form 1040 would be more beneficial. Some of the situations applies to you:

- You must use Form 1040 if:  
 —Your taxable income is \$50,000 or more
- You itemize deductions (Read the instructions on line 34 on page 16 to see if you qualify.)
- You received, as a nominee, interest or dividends that actually belong to another person
- You received or paid accrued interest on securities transferred between interest payment dates
- You received any non-taxable dividends or capital gain distributions
- You are required to file in Part III of Schedule B for foreign accounts and foreign trusts (see page 27 of the instructions)
- You had any of the kinds of income shown on Form 1040, lines 10 through 15, 21b, 22, 23, 24, 25, 26, 27, 28, 29, or 30, or equivalent railroad retirement benefits
- You take any of the adjustments to income shown on Form 1040, lines 26 through 29, or any write-in amount included on line 30

**You MUST Use Form 1040 If:**

- You have taxable income of \$50,000 or more
- You itemize deductions (Read the instructions on line 34 on page 16 to see if you qualify.)
- You received, as a nominee, interest or dividends that actually belong to another person
- You received or paid accrued interest on securities transferred between interest payment dates
- You received any non-taxable dividends or capital gain distributions
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- You received or paid accrued interest on securities transferred between interest payment dates
- You received any non-taxable dividends or capital gain distributions
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- You take any of the adjustments to income shown on Form 1040, lines 26 through 29, or any write-in amount included on line 30

#### Step 4—Check your return to make sure it is correct.

See Avoid Common Mistakes on page 22.

#### Step 5—Sign and date your return.

Form 1040 is not considered a valid return unless you sign it. Your spouse must also sign it if it is a joint return.

#### Step 6—Attach all required forms and schedules.

Attach the following forms and schedules to the back of Form 1040:  
 • Form 1040-ES, Estimated Tax for Individuals, for 1989  
 • Form 2210, Underpayment of Estimated Tax by Individuals and Fiduciaries  
 • Form 2555, Foreign Earned Income, if you are a U.S. citizen or resident alien who was a bona fide resident of a foreign country during all or part of 1989  
 • Form 8271, Investor Reporting of Tax Shelter Registration Number  
 • Form 8814, Parent's Election To Report Child's Interest and Dividends

If you need more space on Form 1040, use the schedule(s) provided. Use the same format as the printed forms. But show your totals on the printed forms. Please use sheets that are the same size as the forms and schedules. Be sure to put your name and social security number on the sheets and attach them at the end of your return.

If you owe tax, be sure to attach your payment to the front of Form 1040.

#### Line-by-Line Instructions

#### Name, Address, and Social Security Number

We can process your return faster if you use the mailing label on the front of the instruction booklet. But don't attach it until you have finished your return. Cross out any errors and print the correct information on the label. Add any missing items (such as your apartment number).

**Caution:** If the label is for a joint return and the social security numbers are not listed in the same order as the names, show the names in the order listed on the label.

If you do not have a label, print or type the information in the spaces provided. But if you are married filing a separate return, do not enter your husband's or wife's name here. Instead, show his or her name in the space provided on line 3.

**Name Change.** If you changed your name because of marriage, divorce, etc., be sure to report this to the Social Security Administration (SSA). If you have the same name in its records that you have on your return, this prevents delays in processing your return and safeguards your future social security benefits.

**Social Security Number.** Enter your social security number in the area marked "Your social security number." If you are married, write your husband's or wife's social security number in the area marked "His or her social security number." Be sure that the number you enter agrees with the number shown on your social security card. Also be sure to check that your social security number is correct on your Forms W-2 and 1099. See page 22 for more information.

**Step 3—Fill in your return.**  
 The line-by-line instructions begin below.

**Step 1—Get all of your records together.**  
 These include any Forms W-2, W-2G, W-2P, and 1099 that you may have. If you don't get a Form W-2 by January 31, 1990, or if the one you get isn't correct, please contact your employer as soon as possible. Only your employer can give you a Form W-2. Call your employer at the toll-free telephone number listed in the instructions for your area. You will be asked for your employer's name, address, and if known, identification number.

**Itemized Deductions and Tax Credits.**  
 Pages 18 through 27 of these instructions tell you what credits and itemized deductions you can take. Some of the deductions you can take are:  
 • Medical and dental payment records  
 • Real estate and personal property tax receipts  
 • Interest payment records for items such as a home mortgage, car, or appliances  
 • Records of payments for child care so you could work

**Step 2—Get any forms, schedules, or publications you need.**  
 In general, we mail forms and schedules to you based on what you filed last year. Before you fill in your return, look it over to see if you need more forms or schedules.

If you think you will need any other forms, get them before you start to fill in your return. Most IRS offices and many local banks, post offices, and libraries may have some forms. Call your local office or library for more information. Be sure to get the last page of this instruction booklet. We will send you the forms, schedules, instructions, and publications you need.

**Step 3—Fill in your return.**  
 The line-by-line instructions begin below.

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 The line-by-line instructions begin below.

If you don't have a social security number, get Form SS-5 from your local SSA office. If you do not receive a number by the time your return is due, write "Applied for," in the space for the number.

**Nonresident Alien Spouse.** If your spouse is a nonresident alien and you file a joint return, you must agree to file that return as if married living a married couple.

**Special Rule for Aliens.** If at the end of 1989 you were a nonresident alien or dual-status alien married to a U.S. citizen or resident alien, you may be able to file a joint return with your spouse. If you do file a joint return, you and your spouse must agree to be taxed on your combined worldwide income (or more details, see Pub. 519, U.S. Tax Guide for Aliens).

**Married Filing Separate Return.** If you file a separate return, you will generally pay more tax. This is because the tax rate is higher for married persons filing separately. But you may want to figure your tax both ways to see which filing status is to your advantage.

**Presidential Election Campaign Fund.** Congress set up this fund to help pay for Presidential elections. If you check the "Yes" box on your tax return, you are contributing \$1 to the fund. If you are filing a joint return, your spouse may also have \$1 go to the fund. If you check "Yes," your tax or refund will not change.

## Filing Status

In general, your filing status depends on whether you are considered single or married. Each filing status has a different tax rate. The filing statuses are listed below, with the highest tax rate listed first and the lowest rate last.

- Single
- Head of household
- Married filing a joint return and Qualifying widow(er) with dependent child
- If more than one filing status applies to you, choose the one that will give you the lowest tax.

**Single.** You may check the box on line 1, if any one of the following was true on December 31, 1989:

- You were never married, or
- You were legally separated, according to your state law, under a decree of divorce or separate maintenance, or
- You were widowed before January 1, 1989, and did not remarry in 1989.

**Married Filing Joint Return.** You may check the box on line 2, if any one of the following is true.

- You were married as of December 31, 1989, even if you did not live together at the end of 1989, or
- Your spouse died in 1989 and you did not remarry in 1989, or
- Your spouse died in 1990 before filing a 1989 return. For details on how to file the joint return, see **Death of Taxpayer** on page 23.

b. Your married child, grandchild, great-grandchild, etc., adopted child, or stepchild. This child must be your dependent. But if your married child's other parent claims him or her as a dependent, the rules on page 8 for **Children of Divorced or Separated Parents** apply. This child does not have to be your dependent.

c. Any other relative whom you can claim as a dependent. For the definition of a relative, see page 8.

To find out if someone is your dependent, see the instructions for line 6c. To find out what is included in the cost of keeping up a home, see **Pub. 501, Exemptions, Standard Deduction, and Filing Information**.

If the person for whom you kept up a home was born, or died, during the year, you may still file as head of household as long as you are the only person who has made for the part of the year that he or she was alive.

You do not qualify as head of household if you did, parent, or relative described above is your dependent under the rules for **Person Supported by Two or More Taxpayers** (see page 8).

**Aid to Families with Dependent Children (AFDC).** If you used payments you received under the AFDC program to pay part of the cost of keeping up your home, you cannot count them as money you paid for keeping up your home. Instead, count them as **Married Persons Who Live Apart**.

**Married Persons Who Live Apart.** Even if you were not divorced or legally separated in 1989, you may be considered unmarried and file as head of household. You may also be able to claim the credit for child and dependent care expenses and the earned income credit. You can take the standard deduction even if your spouse itemizes deductions.

You may check the box on line 4 if ALL 5 of the following apply:

- 1. You file a separate return from your spouse, and
- 2. You lived apart from your spouse during the last 6 months of 1989, and
- 3. You paid more than half the cost of keeping up your home for 1989, and
- 4. Your home was the main home of your child, stepchild, adopted child, or foster child for more than 6 months of 1989, and
- 5. You claim this child as your dependent.

However, you do not have to claim this child as your dependent if the child's other parent claims him or her as a dependent under the rules on page 8 for **Children of Divorced or Separated Parents**.

**Qualifying Widow(er) With Dependent Child.** If you were married in 1987 or 1988 and you died in 1989, you may be able to use joint return tax rates for 1989 if you meet ALL 3 of the following tests:

- 1. You could have filed a joint return with your spouse for the year he or she died, even if you didn't actually do so.
- 2. Your dependent child, stepchild, adopted child, or foster child lived with you (except for temporary absences, such as for vacation or school).
- 3. You paid over half the cost of keeping up the home for this child for the whole year.

Page 7

**Do not claim an exemption for your spouse.**

If you can't file as qualifying widow(er) with dependent child, go to page 7 to see if you can file as Head of household. Otherwise, you must file as single.

## Exemptions

### Line 6a For Yourself

Check the box on line 6a unless someone (such as your parent) can claim you as a dependent.

### Line 6b For Your Spouse

If you file a joint return and your spouse may still file as head of household as long as you are the only person who has made for the part of the year that he or she was alive.

You do not qualify as head of household if you did, parent, or relative described above is your dependent under the rules for **Person Supported by Two or More Taxpayers** (see page 8).

**Aid to Families with Dependent Children (AFDC).** If you used payments you received under the AFDC program to pay part of the cost of keeping up your home, you cannot count them as money you paid for keeping up your home. Instead, count them as **Married Persons Who Live Apart**.

**Married Persons Who Live Apart.** Even if you were not divorced or legally separated in 1989, you may be considered unmarried and file as head of household. You may also be able to claim the credit for child and dependent care expenses and the earned income credit. You can take the standard deduction even if your spouse itemizes deductions.

You may check the box on line 4 if ALL 5 of the following apply:

- 1. You file a separate return from your spouse, and
- 2. You lived apart from your spouse during the last 6 months of 1989, and
- 3. You paid more than half the cost of keeping up your home for 1989, and
- 4. Your home was the main home of your child, stepchild, adopted child, or foster child for more than 6 months of 1989, and
- 5. You claim this child as your dependent.

However, you do not have to claim this child as your dependent if the child's other parent claims him or her as a dependent under the rules on page 8 for **Children of Divorced or Separated Parents**.

**Qualifying Widow(er) With Dependent Child.** If you were married in 1987 or 1988 and you died in 1989, you may be able to use joint return tax rates for 1989 if you meet ALL 3 of the following tests:

- 1. You could have filed a joint return with your spouse for the year he or she died, even if you didn't actually do so.
- 2. Your dependent child, stepchild, adopted child, or foster child lived with you (except for temporary absences, such as for vacation or school).
- 3. You paid over half the cost of keeping up the home for this child for the whole year.

Page 8

Any relationships established by marriage are not treated as ended by divorce or death.

**Exception.** A person who lived in your home as a family member for the entire year can also be considered a dependent. But the relationship must not violate local law.

### Test 2—Married Person

If the person is married, he or she cannot file a joint return. However, if neither can file a joint return, the person's spouse is required to file, but they file a joint return to get a refund of all tax withheld. You may claim him or her if the other 4 tests are met.

### Test 3—Citizen or Resident

**Test 3—Income.** Generally, the person's gross income must be less than \$2,000. Gross income does not include nontaxable income, such as welfare benefits, nontaxable social security benefits.

Income earned by a permanently and totally disabled person for services performed at a sheltered workshop school is generally not included for purposes of the income test. Get **Pub. 501, Exemptions, Standard Deduction, and Filing Information**, for details.

**Exception for Your Child.** Your child can have gross income of \$2,000 or more if he or she was under age 19 at the end of 1989, or was under age 24 at the end of 1989 and qualifies as a student.

Your child is a student if he or she: a. was enrolled as a student at a school during any 5 months of 1989 for the number of hours or classes that the school considers to be full-time, or

b. took a full-time, on-farm training course during any 5 months of 1989. (The course had to be given by a school or a state, county, or local government agency.)

School includes technical, trade, and vocational schools. It does not include on-the-job training courses or correspondence schools.

### Test 5—Support

The general rule is that you had to provide over half the person's support in 1989. If you claim a child as a dependent, you must also claim him or her as your spouse. If you remained, the support provided by your new spouse is treated as support coming from you. For exceptions to the support test, see **Children of Divorced or Separated Parents** and **Person Supported by Two or More Taxpayers** on this page.

Support includes food, a place to live, clothing, medical and dental care, and such as a car and furniture, but only if they are for the person's own use or benefit. If these items, however, figure the cost of money to live at its fair rental value. Include the person's support for his or her own support, even if this money was not taxable income, such as from Social Security and welfare benefits.

Support does not include items such as income and social security taxes, life

insurance premiums, scholarships, or funeral expenses.

If you care for a foster child, see **Pub. 501** for special rules that apply.

**Children of Divorced or Separated Parents.** Special rules apply to determine if the support test is met for children of divorced or separated parents. The rules also apply to children of parents who did not live together at any time during the last 6 months of the year, even if they did not have custody of the child. For details, see **Children of Divorced or Separated Parents** on this page.

**Noncustodial parent.** If the parent who has custody of the child for most of the year, a noncustodial parent is the parent who has custody for the shorter period or who did not have custody at all.

The general rule is that the custodial parent is treated as having provided over half of the child's support if both parents together paid more than half of the child's support. If the noncustodial parent can claim the child as a dependent, the other dependency tests are also met.

But, if you are the noncustodial parent, you are treated as having provided over half of the child's support and can claim the child as a dependent if either 1 or 2 below applies.

1. The custodial parent agrees not to claim the child's exemption for 1989 by signing **Form 8332** or a similar statement. But you must also sign **Form 8332** or a similar statement to your return instead of attaching **Form 8332**. You can attach a copy of certain pages of your divorce decree or separation agreement, if it went into effect after 1984.

**See Children Who Didn't Live With You (Due to Divorce or Separation on page 9).**

OR

2. Your divorce decree or written separation agreement states that you (the noncustodial parent) can claim the child as a dependent. But you must have given at least \$600 for the child's support in 1989. Also, you must check the pre-1985 agreement box on line 6d. This rule does not apply if your decree or agreement was changed after 1984 to say that you cannot claim the child as your dependent.

**Person Supported by Two or More Taxpayers.** Sometimes two or more taxpayers together pay more than half of another person's support, but no one alone pays over half of the support. One of the taxpayers may claim the person as a dependent only if Tests 1 through 4 above are met. In addition, the taxpayer who claims the person as a dependent must

a. have paid more than 10% of that person's support, and

b. attach his or her tax return a signed **Form 2120, Multiple Support Declaration**, from every other person who paid more than 10% of the support. This form states that the person who signs it will not claim an exemption in 1989 for the person he or she helped to support.

**Columns (1) through (5).** After you have figured out who you can claim as a dependent, fill in the columns on line 6c.

**Column (1).** Enter the name of each dependent. If you have more than six dependents, attach a statement to your return. Give the same information as in columns (1) through (5) for each dependent.

the bonds by the amount of any amortizable premium included in the amount of any interest expense on Schedule A. See Schedule B instructions on page 27.

- U.S. Treasury bills, notes, and bonds
- U.S. Savings Bonds. The interest is the yearly increase in the value of the bond reported on Series E or EE bonds can be reported using method a or b below.
- a. Report the total interest when you cash the bonds, or when they reach final maturity and no longer earn interest. OR
- b. Each year report on your return the yearly increase in the bonds' value.

If you change to method b, report the entire increase in all your bonds from the date they were issued. Each year after report only the yearly increase. You may not change to method a after you have reported on Form 1099-DIV and attached it to your tax return. See Pub. 550 for details.

**Note.** If you receive a 1989 Form 1099-DIV for U.S. Savings Bonds interest that includes amounts you reported before 1989, see Pub. 550.

- Original Issue Discount (OID). This is the difference between the issue price of a debt instrument and the stated redemption price at maturity. If the instrument was issued at a discount after May 23, 1989, report the OID on Form 1099-DIV. If the instrument was issued at a discount before May 23, 1989, report the OID on Form 1099-DIV. If the instrument was issued at a discount before May 23, 1989, report the OID on Form 1099-DIV. If the instrument was issued at a discount before May 23, 1989, report the OID on Form 1099-DIV.

If you bought a corporate debt instrument at original issue and held it for all of 1989 or the part of 1989 that it was outstanding, include in interest income the OID from Form 1099-DIV. Get Pub. 550 for details. If you bought the instrument after July 1, 1982, include in your interest income the discount for the part of the year you held it. The taxable OID may be more or less than the amount shown on Form 1099-DIV.

If you had DID for 1989, but did not receive Form 1099-DIV, or if the price you paid for the instrument is more than the issue price plus accumulated OID, see Pub. 550 for details. If you had DID for 1989, but did not receive Form 1099-DIV, or if the price you paid for the instrument is more than the issue price plus accumulated OID, see Pub. 550 for details.

Also include in your interest income any other periodic interest shown on Form 1099-DIV.

## Line 8b

### Tax-Exempt Interest Income

If you received any tax-exempt interest (such as from municipal bonds) report it on line 8b. Include in this amount any exempt interest dividends from a mutual fund. Do not report interest earned on your IRA on line 8b.

## Line 9

### Dividend Income

Dividends are distributions of money, stock, or other property that corporations pay to stockholders. They also include dividends you receive through a partnership, an S corporation, or as an agent. The dividend payer should send you a Form 1099-DIV. A copy of this form is also sent to the IRS.

On the dotted line next to line 7, write

DCB

**Scholarships and Fellowships.** If you received a scholarship or fellowship that was not taxable even if you didn't receive a W-2 form.

If you were a degree candidate and the scholarship or fellowship was granted after August 16, 1986, the amounts you used for expenses other than tuition and course-related expenses are taxable. For example, amounts used for room, board, and travel are taxable.

Then write "SCH" and the taxable amount reported on line 7 on the dotted line next to line 7.

If the scholarship or fellowship was granted on or before August 16, 1986, or if you were not a degree candidate, get Pub. 520 to see how much may be taxable and how to report it.

**Line 8a**

**Reportable Interest Income**

Report ALL of your taxable interest income on line 8a, even if it is \$400 or less. The amount of interest income is the sum of the amounts on lines 8b, 8c, 8d, 8e, 8f, 8g, 8h, 8i, 8j, 8k, 8l, 8m, 8n, 8o, 8p, 8q, 8r, 8s, 8t, 8u, 8v, 8w, 8x, 8y, 8z, 8aa, 8ab, 8ac, 8ad, 8ae, 8af, 8ag, 8ah, 8ai, 8aj, 8ak, 8al, 8am, 8an, 8ao, 8ap, 8aq, 8ar, 8as, 8at, 8au, 8av, 8aw, 8ax, 8ay, 8az, 8ba, 8bb, 8bc, 8bd, 8be, 8bf, 8bg, 8bh, 8bi, 8bj, 8bk, 8bl, 8bm, 8bn, 8bo, 8bp, 8bq, 8br, 8bs, 8bt, 8bu, 8bv, 8bw, 8bx, 8by, 8bz, 8ca, 8cb, 8cc, 8cd, 8ce, 8cf, 8cg, 8ch, 8ci, 8cj, 8ck, 8cl, 8cm, 8cn, 8co, 8cp, 8cq, 8cr, 8cs, 8ct, 8cu, 8cv, 8cw, 8cx, 8cy, 8cz, 8da, 8db, 8dc, 8dd, 8de, 8df, 8dg, 8dh, 8di, 8dj, 8dk, 8dl, 8dm, 8dn, 8do, 8dp, 8dq, 8dr, 8ds, 8dt, 8du, 8dv, 8dw, 8dx, 8dy, 8dz, 8ea, 8eb, 8ec, 8ed, 8ee, 8ef, 8eg, 8eh, 8ei, 8ej, 8ek, 8el, 8em, 8en, 8eo, 8ep, 8eq, 8er, 8es, 8et, 8eu, 8ev, 8ew, 8ex, 8ey, 8ez, 8fa, 8fb, 8fc, 8fd, 8fe, 8ff, 8fg, 8fh, 8fi, 8fj, 8fk, 8fl, 8fm, 8fn, 8fo, 8fp, 8fq, 8fr, 8fs, 8ft, 8fu, 8fv, 8fw, 8fx, 8fy, 8fz, 8ga, 8gb, 8gc, 8gd, 8ge, 8gf, 8gg, 8gh, 8gi, 8gj, 8gk, 8gl, 8gm, 8gn, 8go, 8gp, 8gq, 8gr, 8gs, 8gt, 8gu, 8gv, 8gw, 8gx, 8gy, 8gz, 8ha, 8hb, 8hc, 8hd, 8he, 8hf, 8hg, 8hi, 8hj, 8hk, 8hl, 8hm, 8hn, 8ho, 8hp, 8hq, 8hr, 8hs, 8ht, 8hu, 8hv, 8hw, 8hx, 8hy, 8hz, 8ia, 8ib, 8ic, 8id, 8ie, 8if, 8ig, 8ih, 8ii, 8ij, 8ik, 8il, 8im, 8in, 8io, 8ip, 8iq, 8ir, 8is, 8it, 8iu, 8iv, 8iw, 8ix, 8iy, 8iz, 8ja, 8jb, 8jc, 8jd, 8je, 8jf, 8jg, 8jh, 8ji, 8jj, 8jk, 8jl, 8jm, 8jn, 8jo, 8jp, 8jq, 8jr, 8js, 8jt, 8ju, 8jv, 8jw, 8jx, 8jy, 8jz, 8ka, 8kb, 8kc, 8kd, 8ke, 8kf, 8kg, 8kh, 8ki, 8kj, 8kl, 8km, 8kn, 8ko, 8kp, 8kq, 8kr, 8ks, 8kt, 8ku, 8kv, 8kw, 8kx, 8ky, 8kz, 8la, 8lb, 8lc, 8ld, 8le, 8lf, 8lg, 8lh, 8li, 8lj, 8lk, 8ll, 8lm, 8ln, 8lo, 8lp, 8lq, 8lr, 8ls, 8lt, 8lu, 8lv, 8lw, 8lx, 8ly, 8lz, 8ma, 8mb, 8mc, 8md, 8me, 8mf, 8mg, 8mh, 8mi, 8mj, 8mk, 8ml, 8mm, 8mn, 8mo, 8mp, 8mq, 8mr, 8ms, 8mt, 8mu, 8mv, 8mw, 8mx, 8my, 8mz, 8na, 8nb, 8nc, 8nd, 8ne, 8nf, 8ng, 8nh, 8ni, 8nj, 8nk, 8nl, 8nm, 8nn, 8no, 8np, 8nq, 8nr, 8ns, 8nt, 8nu, 8nv, 8nw, 8nx, 8ny, 8nz, 8oa, 8ob, 8oc, 8od, 8oe, 8of, 8og, 8oh, 8oi, 8oj, 8ok, 8ol, 8om, 8on, 8oo, 8op, 8oq, 8or, 8os, 8ot, 8ou, 8ov, 8ow, 8ox, 8oy, 8oz, 8pa, 8pb, 8pc, 8pd, 8pe, 8pf, 8pg, 8ph, 8pi, 8pj, 8pk, 8pl, 8pm, 8pn, 8po, 8pp, 8pq, 8pr, 8ps, 8pt, 8pu, 8pv, 8pw, 8px, 8py, 8pz, 8qa, 8qb, 8qc, 8qd, 8qe, 8qf, 8qg, 8qh, 8qi, 8qj, 8qk, 8ql, 8qm, 8qn, 8qo, 8qp, 8qq, 8qr, 8qs, 8qt, 8qu, 8qv, 8qw, 8qx, 8qy, 8qz, 8ra, 8rb, 8rc, 8rd, 8re, 8rf, 8rg, 8rh, 8ri, 8rj, 8rk, 8rl, 8rm, 8rn, 8ro, 8rp, 8rq, 8rr, 8rs, 8rt, 8ru, 8rv, 8rw, 8rx, 8ry, 8rz, 8sa, 8sb, 8sc, 8sd, 8se, 8sf, 8sg, 8sh, 8si, 8sj, 8sk, 8sl, 8sm, 8sn, 8so, 8sp, 8sq, 8sr, 8ss, 8st, 8su, 8sv, 8sw, 8sx, 8sy, 8sz, 8ta, 8tb, 8tc, 8td, 8te, 8tf, 8tg, 8th, 8ti, 8tj, 8tk, 8tl, 8tm, 8tn, 8to, 8tp, 8tq, 8tr, 8ts, 8tt, 8tu, 8tv, 8tw, 8tx, 8ty, 8tz, 8ua, 8ub, 8uc, 8ud, 8ue, 8uf, 8ug, 8uh, 8ui, 8uj, 8uk, 8ul, 8um, 8un, 8uo, 8up, 8uq, 8ur, 8us, 8ut, 8uu, 8uv, 8uw, 8ux, 8uy, 8uz, 8va, 8vb, 8vc, 8vd, 8ve, 8vf, 8vg, 8vh, 8vi, 8vj, 8vk, 8vl, 8vm, 8vn, 8vo, 8vp, 8vq, 8vr, 8vs, 8vt, 8vu, 8vv, 8vw, 8vx, 8vy, 8vz, 8wa, 8wb, 8wc, 8wd, 8we, 8wf, 8wg, 8wh, 8wi, 8wj, 8wk, 8wl, 8wm, 8wn, 8wo, 8wp, 8wq, 8wr, 8ws, 8wt, 8wu, 8wv, 8ww, 8wx, 8wy, 8wz, 8xa, 8xb, 8xc, 8xd, 8xe, 8xf, 8xg, 8xh, 8xi, 8xj, 8xk, 8xl, 8xm, 8xn, 8xo, 8xp, 8xq, 8xr, 8xs, 8xt, 8xu, 8xv, 8xw, 8xx, 8xy, 8xz, 8ya, 8yb, 8yc, 8yd, 8ye, 8yf, 8yg, 8yh, 8yi, 8yj, 8yk, 8yl, 8ym, 8yn, 8yo, 8yp, 8yq, 8yr, 8ys, 8yt, 8yu, 8yv, 8yw, 8yx, 8yy, 8yz, 8za, 8zb, 8zc, 8zd, 8ze, 8zf, 8zg, 8zh, 8zi, 8zj, 8zk, 8zl, 8zm, 8zn, 8zo, 8zp, 8zq, 8zr, 8zs, 8zt, 8zu, 8zv, 8zw, 8zx, 8zy, 8zz, 8aa, 8ab, 8ac, 8ad, 8ae, 8af, 8ag, 8ah, 8ai, 8aj, 8ak, 8al, 8am, 8an, 8ao, 8ap, 8aq, 8ar, 8as, 8at, 8au, 8av, 8aw, 8ax, 8ay, 8az, 8ba, 8bb, 8bc, 8bd, 8be, 8bf, 8bg, 8bh, 8bi, 8bj, 8bk, 8bl, 8bm, 8bn, 8bo, 8bp, 8bq, 8br, 8bs, 8bt, 8bu, 8bv, 8bw, 8bx, 8by, 8bz, 8ca, 8cb, 8cc, 8cd, 8ce, 8cf, 8cg, 8ch, 8ci, 8cj, 8ck, 8cl, 8cm, 8cn, 8co, 8cp, 8cq, 8cr, 8cs, 8ct, 8cu, 8cv, 8cw, 8cx, 8cy, 8cz, 8da, 8db, 8dc, 8dd, 8de, 8df, 8dg, 8dh, 8di, 8dj, 8dk, 8dl, 8dm, 8dn, 8do, 8dp, 8dq, 8dr, 8ds, 8dt, 8du, 8dv, 8dw, 8dx, 8dy, 8dz, 8ea, 8eb, 8ec, 8ed, 8ee, 8ef, 8eg, 8eh, 8ei, 8ej, 8ek, 8el, 8em, 8en, 8eo, 8ep, 8eq, 8er, 8es, 8et, 8eu, 8ev, 8ew, 8ex, 8ey, 8ez, 8fa, 8fb, 8fc, 8fd, 8fe, 8ff, 8fg, 8fh, 8fi, 8fj, 8fk, 8fl, 8fm, 8fn, 8fo, 8fp, 8fq, 8fr, 8fs, 8ft, 8fu, 8fv, 8fw, 8fx, 8fy, 8fz, 8ga, 8gb, 8gc, 8gd, 8ge, 8gf, 8gg, 8gh, 8gi, 8gj, 8gk, 8gl, 8gm, 8gn, 8go, 8gp, 8gq, 8gr, 8gs, 8gt, 8gu, 8gv, 8gw, 8gx, 8gy, 8gz, 8ha, 8hb, 8hc, 8hd, 8he, 8hf, 8hg, 8hi, 8hj, 8hk, 8hl, 8hm, 8hn, 8ho, 8hp, 8hq, 8hr, 8hs, 8ht, 8hu, 8hv, 8hw, 8hx, 8hy, 8hz, 8ia, 8ib, 8ic, 8id, 8ie, 8if, 8ig, 8ih, 8ii, 8ij, 8ik, 8il, 8im, 8in, 8io, 8ip, 8iq, 8ir, 8is, 8it, 8iu, 8iv, 8iw, 8ix, 8iy, 8iz, 8ja, 8jb, 8jc, 8jd, 8je, 8jf, 8jg, 8jh, 8ji, 8jj, 8jk, 8jl, 8jm, 8jn, 8jo, 8jp, 8jq, 8jr, 8js, 8jt, 8ju, 8jv, 8jw, 8jx, 8jy, 8jz, 8ka, 8kb, 8kc, 8kd, 8ke, 8kf, 8kg, 8kh, 8ki, 8kj, 8kl, 8km, 8kn, 8ko, 8kp, 8kq, 8kr, 8ks, 8kt, 8ku, 8kv, 8kw, 8kx, 8ky, 8kz, 8la, 8lb, 8lc, 8ld, 8le, 8lf, 8lg, 8lh, 8li, 8lj, 8lk, 8ll, 8lm, 8ln, 8lo, 8lp, 8lq, 8lr, 8ls, 8lt, 8lu, 8lv, 8lw, 8lx, 8ly, 8lz, 8ma, 8mb, 8mc, 8md, 8me, 8mf, 8mg, 8mh, 8mi, 8mj, 8mk, 8ml, 8mm, 8mn, 8mo, 8mp, 8mq, 8mr, 8ms, 8mt, 8mu, 8mv, 8mw, 8mx, 8my, 8mz, 8na, 8nb, 8nc, 8nd, 8ne, 8nf, 8ng, 8nh, 8ni, 8nj, 8nk, 8nl, 8nm, 8nn, 8no, 8np, 8nq, 8nr, 8ns, 8nt, 8nu, 8nv, 8nw, 8nx, 8ny, 8nz, 8oa, 8ob, 8oc, 8od, 8oe, 8of, 8og, 8oh, 8oi, 8oj, 8ok, 8ol, 8om, 8on, 8oo, 8op, 8oq, 8or, 8os, 8ot, 8ou, 8ov, 8ow, 8ox, 8oy, 8oz, 8pa, 8pb, 8pc, 8pd, 8pe, 8pf, 8pg, 8ph, 8pi, 8pj, 8pk, 8pl, 8pm, 8pn, 8po, 8pp, 8pq, 8pr, 8ps, 8pt, 8pu, 8pv, 8pw, 8px, 8py, 8pz, 8qa, 8qb, 8qc, 8qd, 8qe, 8qf, 8qg, 8qh, 8qi, 8qj, 8qk, 8ql, 8qm, 8qn, 8qo, 8qp, 8qq, 8qr, 8qs, 8qt, 8qu, 8qv, 8qw, 8qx, 8qy, 8qz, 8ra, 8rb, 8rc, 8rd, 8re, 8rf, 8rg, 8rh, 8ri, 8rj, 8rk, 8rl, 8rm, 8rn, 8ro, 8rp, 8rq, 8rr, 8rs, 8rt, 8ru, 8rv, 8rw, 8rx, 8ry, 8rz, 8sa, 8sb, 8sc, 8sd, 8se, 8sf, 8sg, 8sh, 8si, 8sj, 8sk, 8sl, 8sm, 8sn, 8so, 8sp, 8sq, 8sr, 8ss, 8st, 8su, 8sv, 8sw, 8sx, 8sy, 8sz, 8ta, 8tb, 8tc, 8td, 8te, 8tf, 8tg, 8th, 8ti, 8tj, 8tk, 8tl, 8tm, 8tn, 8to, 8tp, 8tq, 8tr, 8ts, 8tt, 8tu, 8tv, 8tw, 8tx, 8ty, 8tz, 8ua, 8ub, 8uc, 8ud, 8ue, 8uf, 8ug, 8uh, 8ui, 8uj, 8uk, 8ul, 8um, 8un, 8uo, 8up, 8uq, 8ur, 8us, 8ut, 8uu, 8uv, 8uw, 8ux, 8uy, 8uz, 8va, 8vb, 8vc, 8vd, 8ve, 8vf, 8vg, 8vh, 8vi, 8vj, 8vk, 8vl, 8vm, 8vn, 8vo, 8vp, 8vq, 8vr, 8vs, 8vt, 8vu, 8vv, 8vw, 8vx, 8vy, 8vz, 8wa, 8wb, 8wc, 8wd, 8we, 8wf, 8wg, 8wh, 8wi, 8wj, 8wk, 8wl, 8wm, 8wn, 8wo, 8wp, 8wq, 8wr, 8ws, 8wt, 8wu, 8wv, 8ww, 8wx, 8wy, 8wz, 8xa, 8xb, 8xc, 8xd, 8xe, 8xf, 8xg, 8xh, 8xi, 8xj, 8xk, 8xl, 8xm, 8xn, 8xo, 8xp, 8xq, 8xr, 8xs, 8xt, 8xu, 8xv, 8xw, 8xx, 8xy, 8xz, 8ya, 8yb, 8yc, 8yd, 8ye, 8yf, 8yg, 8yh, 8yi, 8yj, 8yk, 8yl, 8ym, 8yn, 8yo, 8yp, 8yq, 8yr, 8ys, 8yt, 8yu, 8yv, 8yw, 8yx, 8yy, 8yz, 8za, 8zb, 8zc, 8zd, 8ze, 8zf, 8zg, 8zh, 8zi, 8zj, 8zk, 8zl, 8zm, 8zn, 8zo, 8zp, 8zq, 8zr, 8zs, 8zt, 8zu, 8zv, 8zw, 8zx, 8zy, 8zz, 8aa, 8ab, 8ac, 8ad, 8ae, 8af, 8ag, 8ah, 8ai, 8aj, 8ak, 8al, 8am, 8an, 8ao, 8ap, 8aq, 8ar, 8as, 8at, 8au, 8av, 8aw, 8ax, 8ay, 8az, 8ba, 8bb, 8bc, 8bd, 8be, 8bf, 8bg, 8bh, 8bi, 8bj, 8bk, 8bl, 8bm, 8bn, 8bo, 8bp, 8bq, 8br, 8bs, 8bt, 8bu, 8bv, 8bw, 8bx, 8by, 8bz, 8ca, 8cb, 8cc, 8cd, 8ce, 8cf, 8cg, 8ch, 8ci, 8cj, 8ck, 8cl, 8cm, 8cn, 8co, 8cp, 8cq, 8cr, 8cs, 8ct, 8cu, 8cv, 8cw, 8cx, 8cy, 8cz, 8da, 8db, 8dc, 8dd, 8de, 8df, 8dg, 8dh, 8di, 8dj, 8dk, 8dl, 8dm, 8dn, 8do, 8dp, 8dq, 8dr, 8ds, 8dt, 8du, 8dv, 8dw, 8dx, 8dy, 8dz, 8ea, 8eb, 8ec, 8ed, 8ee, 8ef, 8eg, 8eh, 8ei, 8ej, 8ek, 8el, 8em, 8en, 8eo, 8ep, 8eq, 8er, 8es, 8et, 8eu, 8ev, 8ew, 8ex, 8ey, 8ez, 8fa, 8fb, 8fc, 8fd, 8fe, 8ff, 8fg, 8fh, 8fi, 8fj, 8fk, 8fl, 8fm, 8fn, 8fo, 8fp, 8fq, 8fr, 8fs, 8ft, 8fu, 8fv, 8fw, 8fx, 8fy, 8fz, 8ga, 8gb, 8gc, 8gd, 8ge, 8gf, 8gg, 8gh, 8gi, 8gj, 8gk, 8gl, 8gm, 8gn, 8go, 8gp, 8gq, 8gr, 8gs, 8gt, 8gu, 8gv, 8gw, 8gx, 8gy, 8gz, 8ha, 8hb, 8hc, 8hd, 8he, 8hf, 8hg, 8hi, 8hj, 8hk, 8hl, 8hm, 8hn, 8ho, 8hp, 8hq, 8hr, 8hs, 8ht, 8hu, 8hv, 8hw, 8hx, 8hy, 8hz, 8ia, 8ib, 8ic, 8id, 8ie, 8if, 8ig, 8ih, 8ii, 8ij, 8ik, 8il, 8im, 8in, 8io, 8ip, 8iq, 8ir, 8is, 8it, 8iu, 8iv, 8iw, 8ix, 8iy, 8iz, 8ja, 8jb, 8jc, 8jd, 8je, 8jf, 8jg, 8jh, 8ji, 8jj, 8jk, 8jl, 8jm, 8jn, 8jo, 8jp, 8jq, 8jr, 8js, 8jt, 8ju, 8jv, 8jw, 8jx, 8jy, 8jz, 8ka, 8kb, 8kc, 8kd, 8ke, 8kf, 8kg, 8kh, 8ki, 8kj, 8kl, 8km, 8kn, 8ko, 8kp, 8kq, 8kr, 8ks, 8kt, 8ku, 8kv, 8kw, 8kx, 8ky, 8kz, 8la, 8lb, 8lc, 8ld, 8le, 8lf, 8lg, 8lh, 8li, 8lj, 8lk, 8ll, 8lm, 8ln, 8lo, 8lp, 8lq, 8lr, 8ls, 8lt, 8lu, 8lv, 8lw, 8lx, 8ly, 8lz, 8ma, 8mb, 8mc, 8md, 8me, 8mf, 8mg, 8mh, 8mi, 8mj, 8mk, 8ml, 8mm, 8mn, 8mo, 8mp, 8mq, 8mr, 8ms, 8mt, 8mu, 8mv, 8mw, 8mx, 8my, 8mz, 8na, 8nb, 8nc, 8nd, 8ne, 8nf, 8ng, 8nh, 8ni, 8nj, 8nk, 8nl, 8nm, 8nn, 8no, 8np, 8nq, 8nr, 8ns, 8nt, 8nu, 8nv, 8nw, 8nx, 8ny, 8nz, 8oa, 8ob, 8oc, 8od, 8oe, 8of, 8og, 8oh, 8oi, 8oj, 8ok, 8ol, 8om, 8on, 8oo, 8op, 8oq, 8or, 8os, 8ot, 8ou, 8ov, 8ow, 8ox, 8oy, 8oz, 8pa, 8pb, 8pc, 8pd, 8pe, 8pf, 8pg, 8ph, 8pi, 8pj, 8pk, 8pl, 8pm, 8pn, 8po, 8pp, 8pq, 8pr, 8ps, 8pt, 8pu, 8pv, 8pw, 8px, 8py, 8pz, 8qa, 8qb, 8qc, 8qd, 8qe, 8qf, 8qg, 8qh, 8qi, 8qj, 8qk, 8ql, 8qm, 8qn, 8qo, 8qp, 8qq, 8qr, 8qs, 8qt, 8qu, 8qv, 8qw, 8qx, 8qy, 8qz, 8ra, 8rb, 8rc, 8rd, 8re, 8rf, 8rg, 8rh, 8ri, 8rj, 8rk, 8rl, 8rm, 8rn, 8ro, 8rp, 8rq, 8rr, 8rs, 8rt, 8ru, 8rv, 8rw, 8rx, 8ry, 8rz, 8sa, 8sb, 8sc, 8sd, 8se, 8sf, 8sg, 8sh, 8si, 8sj, 8sk, 8sl, 8sm, 8sn, 8so, 8sp, 8sq, 8sr, 8ss, 8st, 8su, 8sv, 8sw, 8sx, 8sy, 8sz, 8ta, 8tb, 8tc, 8td, 8te, 8tf, 8tg, 8th, 8ti, 8tj, 8tk, 8tl, 8tm, 8tn, 8to, 8tp, 8tq, 8tr, 8ts, 8tt, 8tu, 8tv, 8tw, 8tx, 8ty, 8tz, 8ua, 8ub, 8uc, 8ud, 8ue, 8uf, 8ug, 8uh, 8ui, 8uj, 8uk, 8ul, 8um, 8un, 8uo, 8up, 8uq, 8ur, 8us, 8ut, 8uu, 8uv, 8uw, 8ux, 8uy, 8uz, 8va, 8vb, 8vc, 8vd, 8ve, 8vf, 8vg, 8vh, 8vi, 8vj, 8vk, 8vl, 8vm, 8vn, 8vo, 8vp, 8vq, 8vr, 8vs, 8vt, 8vu, 8vv, 8vw, 8vx, 8vy, 8vz, 8wa, 8wb, 8wc, 8wd, 8we, 8wf, 8wg, 8wh, 8wi, 8wj, 8wk, 8wl, 8wm, 8wn, 8wo, 8wp, 8wq, 8wr, 8ws, 8wt, 8wu, 8wv, 8ww, 8wx, 8wy, 8wz, 8xa, 8xb, 8xc, 8xd, 8xe, 8xf, 8xg, 8xh, 8xi, 8xj, 8xk, 8xl, 8xm, 8xn, 8xo, 8xp, 8xq, 8xr, 8xs, 8xt, 8xu, 8xv, 8xw, 8xx, 8xy, 8xz, 8ya, 8yb, 8yc, 8yd, 8ye, 8yf, 8yg, 8yh, 8yi, 8yj, 8yk, 8yl, 8ym, 8yn, 8yo, 8yp, 8yq, 8yr, 8ys, 8yt, 8yu, 8yv, 8yw, 8yx, 8yy, 8yz, 8za, 8zb, 8zc, 8zd, 8ze, 8zf, 8zg, 8zh, 8zi, 8zj, 8zk, 8zl, 8zm, 8zn, 8zo, 8zp, 8zq, 8zr, 8zs, 8zt, 8zu, 8zv, 8zw, 8zx, 8zy, 8zz, 8aa, 8ab, 8ac, 8ad, 8ae, 8af, 8ag, 8ah, 8ai, 8aj, 8ak, 8al, 8am, 8an, 8ao, 8ap, 8aq, 8ar, 8as, 8at, 8au, 8av, 8aw, 8ax, 8ay, 8az, 8ba, 8bb, 8bc, 8bd, 8be, 8bf, 8bg, 8bh, 8bi, 8bj, 8bk, 8bl, 8bm, 8bn, 8bo, 8bp, 8bq, 8br, 8bs, 8bt, 8bu, 8bv, 8bw, 8bx, 8by, 8bz, 8ca, 8cb, 8cc, 8cd, 8ce, 8cf, 8cg, 8ch, 8ci, 8cj, 8ck, 8cl, 8cm, 8cn, 8co, 8cp, 8cq, 8cr, 8cs, 8ct, 8cu, 8cv, 8cw, 8cx, 8cy, 8cz, 8da, 8db, 8dc, 8dd, 8de, 8df, 8dg, 8dh, 8di, 8dj, 8dk, 8dl, 8dm, 8dn, 8do, 8dp, 8dq, 8dr, 8ds, 8dt, 8du, 8dv, 8dw, 8dx, 8dy, 8dz, 8ea, 8eb, 8ec, 8ed, 8ee, 8ef, 8eg, 8eh, 8ei, 8ej, 8ek, 8el, 8em, 8en, 8eo, 8ep, 8eq, 8er, 8es, 8et, 8eu, 8ev, 8ew, 8ex, 8ey, 8ez, 8fa, 8fb, 8fc, 8fd, 8fe, 8ff, 8fg, 8fh, 8fi, 8fj, 8fk, 8fl, 8fm, 8fn, 8fo, 8fp, 8fq, 8fr, 8fs, 8ft, 8fu, 8fv, 8fw, 8fx, 8fy, 8fz, 8ga, 8gb, 8gc, 8gd, 8ge, 8gf, 8gg, 8gh, 8gi, 8gj, 8gk, 8gl, 8gm, 8gn, 8go, 8gp, 8gq, 8gr, 8gs, 8gt, 8gu, 8gv, 8gw, 8gx, 8gy, 8gz, 8ha, 8hb, 8hc, 8hd, 8he, 8hf, 8hg, 8hi, 8hj, 8hk, 8hl, 8hm, 8hn, 8ho, 8hp, 8hq, 8hr, 8hs, 8ht, 8hu, 8hv, 8hw, 8hx, 8hy, 8hz, 8ia, 8ib, 8ic, 8id, 8ie, 8if, 8ig, 8ih, 8ii, 8ij, 8ik, 8il, 8im, 8in, 8io, 8ip, 8iq, 8ir, 8is, 8it, 8iu, 8iv, 8iw, 8ix, 8iy, 8iz, 8ja, 8jb, 8jc, 8jd, 8je, 8jf, 8jg, 8jh, 8ji, 8jj, 8jk, 8jl, 8jm, 8jn, 8jo, 8jp, 8jq, 8jr, 8js, 8jt, 8ju, 8jv, 8jw, 8jx, 8jy, 8jz, 8ka, 8kb, 8kc, 8kd, 8ke, 8kf, 8kg, 8kh, 8ki, 8kj, 8kl, 8km, 8kn, 8ko, 8kp, 8kq, 8kr, 8ks, 8kt, 8ku, 8kv, 8kw, 8kx, 8ky, 8kz, 8la, 8lb, 8lc, 8ld, 8le, 8lf, 8lg, 8lh, 8li, 8lj, 8lk, 8ll, 8lm, 8ln, 8lo, 8lp, 8lq, 8lr, 8ls, 8lt, 8lu, 8lv, 8lw, 8lx, 8ly, 8lz, 8ma, 8mb, 8mc, 8md, 8me, 8mf, 8mg, 8mh, 8mi, 8mj, 8mk, 8ml, 8mm, 8mn, 8mo, 8mp, 8mq, 8mr, 8ms, 8mt, 8mu, 8mv, 8mw, 8mx, 8my, 8mz, 8na, 8nb, 8nc, 8nd, 8ne, 8nf, 8ng, 8nh, 8ni, 8nj, 8nk, 8nl, 8nm, 8nn, 8no, 8np, 8nq, 8nr, 8ns, 8nt, 8nu, 8nv, 8nw, 8nx, 8ny, 8nz, 8oa, 8ob, 8oc, 8od, 8oe, 8of, 8og, 8oh, 8oi, 8oj, 8ok, 8ol, 8om, 8on, 8oo, 8op, 8oq, 8or, 8os, 8ot, 8ou, 8ov, 8ow, 8ox, 8oy, 8oz, 8pa, 8pb, 8pc, 8pd, 8pe, 8pf, 8pg, 8ph, 8pi, 8pj, 8pk, 8pl, 8pm, 8pn, 8po, 8pp, 8pq, 8pr, 8ps, 8pt, 8pu, 8pv, 8pw, 8px, 8py, 8pz, 8qa, 8qb, 8qc, 8qd, 8qe, 8qf, 8qg, 8qh, 8qi, 8qj, 8qk, 8ql, 8qm, 8qn, 8qo, 8qp, 8qq, 8qr, 8qs, 8qt, 8qu, 8qv, 8qw, 8qx, 8qy, 8qz, 8ra, 8rb, 8rc, 8rd, 8re, 8rf, 8rg, 8rh, 8ri, 8rj, 8rk, 8rl, 8rm, 8rn, 8ro, 8rp, 8rq, 8rr, 8rs, 8rt, 8ru, 8rv, 8rw, 8rx, 8ry, 8rz, 8sa, 8sb, 8sc, 8sd, 8se, 8sf, 8sg, 8sh, 8si, 8sj, 8sk, 8sl, 8sm, 8sn, 8so, 8sp, 8sq, 8sr, 8ss, 8st, 8su, 8sv, 8sw, 8sx, 8sy, 8sz, 8ta, 8tb, 8tc, 8td, 8te, 8tf, 8tg, 8th, 8ti, 8tj, 8tk, 8tl, 8tm, 8tn, 8to, 8tp, 8tq, 8tr, 8ts, 8tt, 8tu, 8tv, 8tw, 8tx, 8ty, 8tz, 8ua, 8ub, 8uc, 8ud, 8ue, 8uf, 8ug, 8uh, 8ui, 8uj, 8uk, 8ul, 8um, 8un, 8uo, 8up, 8uq, 8ur, 8us, 8ut, 8uu, 8uv,





or Form W-2P. Enter the total distribution on line 17a. If the total on line 17a (less any after-tax contributions) was rolled over, enter the total on line 17b. Special rules apply to rollover distributions of property.

For details on rollovers, including distributions under qualified domestic relations orders, get Pub. 575.

**Lump-Sum Distributions**  
If you received a lump-sum distribution from a profit-sharing or retirement plan, you should receive a Form 1099-R showing the amount of the distribution. If you received an early distribution or excess distribution from a qualified retirement plan, you may owe an additional tax. For details, get Form 5329.

Enter the total distribution on line 17a and the taxable part on line 17b unless:

- You elect to report the capital gain part shown on Form 1099-R, Box 3, on Schedule D (see the instructions for Schedule D), or
- You reached age 50 before 1986, you use Form 4972, Tax on Lump Sums, and you use the distribution. In these cases, you may pay less tax on the distribution. For details, get Form 4972.

If you use Form 4972 to figure the tax on any part of your distribution, do not include that part of the distribution on line 17a or b of Form 1040.

**Line 20**  
Use line 20 to report any income you can't take a place for on your return or other schedules. List the type and amount of income on line 20. For details, see the instructions on an attached statement. For more information, see Miscellaneous Taxable Income on Pub. 525, Taxable and Nontaxable Income.

**Other Income**  
Use line 22 to report any income you can't take a place for on your return or other schedules. List the type and amount of income on line 22. For details, see the instructions on an attached statement. For more information, see Miscellaneous Taxable Income on Pub. 525, Taxable and Nontaxable Income.

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**Caution:** Do not report any income from self-employment on line 22. If you do have any income from self-employment, you must use Schedule C or Schedule F. Examples of income to be reported on line 22 are:

- Prizes, awards, and gambling winnings.
- Royalties.
- Gambling winnings. You must report the full amount of your winnings on this line. You cannot offset losses against winnings and report the difference.

If you had any gambling losses, you may take them as an itemized deduction on Schedule A. However, you cannot deduct more losses than the winnings you report. Amounts you received for medical expenses or other items such as real estate taxes that you deducted in a prior year if you itemized deductions on Schedule A are not taxable. For details, see Pub. 525, Taxable and Nontaxable Income, or Form 4563, Exclusion of Income for Bona Fide Residents of American Samoa, or you exclude income from sources other than the United States on line 20, Pub. 915 instead of the one below.

**Line 22**  
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## Adjustments to Income Lines 24 and 25 Individual Retirement Arrangement (IRA) Deduction

Enter your IRA deduction on line 24. If you file a joint return, enter your spouse's deduction on line 25.

**Were You Covered by an Employer Retirement Plan?**  
If you were covered by a retirement plan (qualified pension, profit-sharing, annuity, Keogh, SEP, etc.) at work or through self-employment in 1989, your IRA deduction may be reduced or eliminated. But you can still make contributions to an IRA even if you are covered by an employer retirement plan. For details, see Pub. 590, Your IRA Deduction, or Form 590, IRA Deduction Worksheet.

**The "Person Plan" box in Box 5 of your Form W-2 should be checked if you were covered by a plan. This box should be checked even if you were not vested in the plan. You are also covered by a plan if you are self-employed and have a Keogh retirement plan.**

**Special Rule for Married Individuals Who File Separate Returns.** If you were not covered by a plan, but your spouse was, you are considered covered by a plan if you lived with your spouse at any time in 1989. See the chart on this page to find out if you can take a deduction, and if you can, which worksheet to use.

**Not Covered by a Retirement Plan.** If you (and your spouse if filing a joint return) were not covered by a plan at work, use **Worksheet 1** to figure your deduction. **Covered by a Retirement Plan.** If you (or your spouse if filing a joint return) were covered by a plan at work, use **Worksheet 2** to figure your deduction, and if you can, which worksheet to use.

**Nondeductible Contributions.** You can make nondeductible contributions to your IRA. You can do this even if you are allowed to deduct your contributions. Your nondeductible contributions are the difference between your total allowable contributions to your IRA and the amount you actually paid. **Example:** Your file as single and paid a retirement plan and your modified AGI is over \$35,000 (see wages). You can't deduct the \$2,000. But you can treat it as a nondeductible contribution.

**Use Form 8606 to report all contributions you treat as nondeductible.** Also use it to figure the basis (nontaxable part) of your IRA. You and your spouse must each complete a separate Form 8606.

**Example:** If you file Form 2555, Foreign Earned Income, get Pub. 590 to figure your IRA deduction.

**Read the following list before you do your worksheet.**

- You will first need to complete Form 1040 through line 23, lines 26 through 29, and figure any write-in amount included on line 30, to figure your IRA deduction and, if applicable, nondeductible contributions.

**Page 14**

• If you made contributions to your IRA in 1989 that you deducted for 1988, enter in the worksheet

• If you make contributions to your IRA in 1990 (by April 15) for 1989, include them in the worksheet

• Your IRA deduction can't be more than the total of your wages and other earned income

• If the total of your IRA deduction on Form 1040 plus any nondeductible contribution on your Form 8606 is less than your total IRA contributions for 1989, see Pub. 590 for special rules.

• You must file a joint return to deduct contributions to your nonworking spouse's IRA. If you are married and you and your spouse or other individual have no wages or other earned income in 1989, you may be able to deduct contributions to a working spouse who chooses to be treated as having no earned income for figuring the deduction.

• Do not include rollover contributions in figuring your deduction. See the instructions for lines 16a and 16b on page 11 for more details on rollover contributions.

• Do not include trustee's fees that were billed separately and paid by you for your IRA. These fees can be deducted only as an itemized deduction on Schedule A.

• Alimony payments received under certain divorce or separation instruments are not deductible. See Pub. 590 for details of the IRA deduction.

• If you were married and both spouses worked and both had IRAs, figure each spouse's deduction separately.

• You should receive a statement by May 31, 1990, that shows all contributions to your IRA for 1989.

If you (or your spouse if filing a joint return) were covered by a retirement plan\* and—

Your filing status is: Single, Head of household, Married filing separately, and did not live with your spouse in 1989

and your modified AGI is: \$25,000 or less; Over \$25,000 but less than \$35,000; \$35,000 or more

You can take: Full IRA deduction (use Worksheet 1); Partial IRA deduction (use Worksheet 2); No IRA deduction (see Nondeductible Contributions)

Married filing jointly or Qualifying widow(er) with dependent child

Partial IRA deduction (use Worksheet 2); No IRA deduction (see Nondeductible Contributions)

Married filing separately and lived with your spouse in 1989

Over \$-0- but less than \$10,000; \$10,000 or more

## IRA Worksheet 1 (Keep for your records)

1. Enter IRA contributions you made for 1989, but do not enter more than \$2,000

2. Enter your wages and other earned income for 1989, minus any deduction you claim on Form 1040, line 27. (Do not include your spouse's income in this total.)

3. Compare the amounts on lines 1 and 2. Enter the smaller of the two amounts on line 3. Enter on line 3 the amount on line 1 if the amount on line 2 is more than the amount on line 1.

4. Compare the amount on line 2 to the amount on line 3. Enter the smaller of the two amounts on line 4.

5. Enter the amount on line 4. Enter the result on line 5 from line 4. Enter the result on line 5 from line 4.

6. Subtract line 5 from line 4. Enter the result on line 6.

7. Enter IRA contributions made for 1989 for your nonworking spouse, but not more than \$2,000.

8. Compare the amounts on lines 6 and 7. Enter the smaller of the two amounts on line 8. Enter on line 8 the amount on line 6 if the amount on line 7 is more than the amount on line 6.

9. Subtract line 8 from line 7. Enter the result on line 9.

10. Subtract line 9 from line 8. Enter the result on line 10.

11. Subtract line 10 from line 9. Enter the result on line 11.

12. Subtract line 11 from line 10. Enter the result on line 12.

13. Subtract line 12 from line 11. Enter the result on line 13.

14. Subtract line 13 from line 12. Enter the result on line 14.

15. Subtract line 14 from line 13. Enter the result on line 15.

16. Subtract line 15 from line 14. Enter the result on line 16.

or Form W-2P. Enter the total distribution on line 17a. If the total on line 17a (less any after-tax contributions) was rolled over, enter the total on line 17b. Special rules apply to rollover distributions of property.

For details on rollovers, including distributions under qualified domestic relations orders, get Pub. 575.

**Lump-Sum Distributions**  
If you received a lump-sum distribution from a profit-sharing or retirement plan, you should receive a Form 1099-R showing the amount of the distribution. If you received an early distribution or excess distribution from a qualified retirement plan, you may owe an additional tax. For details, get Form 5329.

Enter the total distribution on line 17a and the taxable part on line 17b unless:

- You elect to report the capital gain part shown on Form 1099-R, Box 3, on Schedule D (see the instructions for Schedule D), or
- You reached age 50 before 1986, you use Form 4972, Tax on Lump Sums, and you use the distribution. In these cases, you may pay less tax on the distribution. For details, get Form 4972.

If you use Form 4972 to figure the tax on any part of your distribution, do not include that part of the distribution on line 17a or b of Form 1040.

**Line 20**  
Use line 20 to report any income you can't take a place for on your return or other schedules. List the type and amount of income on line 20. For details, see the instructions on an attached statement. For more information, see Miscellaneous Taxable Income on Pub. 525, Taxable and Nontaxable Income.

**Other Income**  
Use line 22 to report any income you can't take a place for on your return or other schedules. List the type and amount of income on line 22. For details, see the instructions on an attached statement. For more information, see Miscellaneous Taxable Income on Pub. 525, Taxable and Nontaxable Income.

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box on line 6b on page 1 of Form 1040 and your spouse was 65 or older or blind, also check the appropriate boxes for your spouse.

**Age.** If you were 65 or older on January 1, 1990, check the "65 or older" box on your 1989 return.

**Blindness.** If you were completely blind as of December 31, 1989, attach a statement to your return describing this condition.

If you were partially blind, you must attach a certified statement from your eye doctor that:

- You can't see better than 20/200 in your better eye with glasses or contact lenses, or
- Your field of vision is 20 degrees or less.

If your eye condition is not likely to improve beyond the conditions listed above, attach a statement from your eye doctor. If you attached this statement in a prior year, attach a note saying that you have already filed a statement.

**Line 33b.** If someone (such as your parent) can claim you as a dependent, check the box on line 33b. If you do not itemize your deductions, be sure to use the **Standard Deduction Worksheet for Dependents** on page 17 to figure the amount to enter on line 33b.

**Line 33c.** Check the box if your spouse, or you if you are married, is a U.S. citizen or dual-status alien and you file a joint return with your spouse who was a U.S. citizen or resident at the end of 1989 and you and your spouse agree to be taxed on your combined worldwide income, do not check the box.

If you check this box, you cannot take the standard deduction. If you have any income tax credits, such as state and local income tax credits, or Federal income tax credits, you must enter them on line 33d.

**Line 34**  
**Standard Deduction OR Itemized Deductions**

You must decide whether to take the standard deduction or itemize your actual deductions for charitable contributions, medical expenses, interest, taxes, etc. Your federal income tax will be less if you take the larger of:

- a. Your standard deduction (figured on page 17), or
- b. Total itemized deductions reportable on Schedule A (Form 1040).

The standard deduction has increased for most people. Even if you itemized last year, be sure to read page 17 to see if the standard deduction will benefit you in 1989.

If you take the standard deduction, find the correct amount for you and enter it on line 34.

If you itemize your deductions, complete and attach Schedule A and enter on Form 1040, line 34, the amount from Schedule A, line 26.

**Itemizing for State Tax Purposes.** If you itemize even though you're not required to, your standard deduction, write "IE" (itemized elected) on the dotted line next to line 34.

## IRS Will Figure Your Tax and Some of Your Credits

If you want us to, we will figure your tax for you. If you have paid too much, we will send you a refund. If you did not pay enough, we will send you a bill. We won't charge you interest or a late payment penalty if you pay within 30 days of the notice date, or by the due date for your return, whichever is later.

We can figure your tax if you meet ALL of the conditions described below:

- All of your income for 1989 was from wages, salaries, interest, dividends, pensions, or annuities.
- You do not itemize deductions.
- You do not file any of the following forms: Form 6251, Alternative Minimum Tax—Individuals; Form 8615, Computation of Tax for Children Under Age 14 who have income; or Form 8808, Supplemental Medicare Form 8808.
- Form 8814, Parent's Election To Report Child's Interest and Dividends.
- Form 2555, Foreign Earned Income.
- Your adjusted gross income (line 31) is not more than \$50,000.
- You and your spouse if you are filing a joint return, agree to let us figure your return and mail it by April 16, 1990.
- You do not want any of your refund applied to next year's estimated tax.
- You give us enough information so that we can figure the tax. Please read the following instructions.

a. Fill in the parts of your return through line 37 that apply to you.

b. Read lines 39 through 63. Fill in the lines that apply to you, but do not fill in the Total lines. Please be sure to fill in line 56 for Federal income tax withheld. See the instructions below if you want us to figure your credit for the elderly or the disabled, or earned income credit.

c. If you are filing a joint return, use the space under line 56 for adjustments to show your taxable income and your spouse's taxable income separately.

d. Fill in any forms or schedules asked for on the lines you completed, and attach them to the return when you file it.

We will figure the following credits too: Credit for the Elderly or the Disabled. If you can take this credit, attach Schedule R to your return and write "CFE" on the dotted line next to line 42.

Check the box on Schedule R for your filing status and age, and fill in lines 11 and 13 of Part III if applicable. Also complete Part II if applicable.

**Earned Income Credit (EIC).** If you qualify to take this credit (see the instructions for line 58 on page 20), write "EIC" on the dotted line next to line 56.

**Tax Computation**  
**Lines 33a through 33c**

Line 33a. If you were age 65 or older or blind, check the appropriate boxes on line 33a. If you were married and checked the

- you are not required to make any payment after the death of your spouse or former spouse, and
- the payment is not treated as child support.

These rules also apply to certain instruments modified after 1984. Diner rules apply if you paid more than \$10,000 on any calendar year. For more details, see Pub. 504.

**Line 30**  
**Total Adjustments**

Add lines 24 through 29 and enter the total on line 30. Also include in the total on line 30 any of the following adjustments:

• Payments to a defined-benefit plan are determined by the funds needed to give a specific benefit at retirement. If you deduct the payments to this kind of plan, write "DB" to the left of line 21.

Get Pub. 560, Self-Employed Retirement Plans, for more information, including limits on the amount you can deduct.

**Line 28**  
**Penalty on Early Withdrawal of Savings**

The Form 1099-INT or, if applicable, Form 1099-OTD given to you by your bank or savings and loan association will show the amount of any penalty you were charged because you withdrew funds from your time savings deposit before its maturity. Enter this amount on line 28. (Be sure to include the interest income on Form 1040, line 8a.)

**Line 29**  
**Alimony Paid**

You can deduct periodic payments of alimony or separate maintenance made under a court decree. You can also deduct payments made under a written separation agreement or a decree for support. Don't deduct lump-sum cash or property settlements; voluntary payments not made under a court order; or amounts specified as child support.

For details, see **Tele-Tax Information** in the index (topic no. 252) or get Pub. 504, Tax Information for Divorced or Separated Individuals.

You must enter the recipient's last name, if different than yours, and his or her social security number in the space provided on line 29. If you don't, you may have to pay a \$50 penalty and your deduction may be disallowed. If you paid alimony to more than one person, enter the name of each on line 29 and last name, if applicable, of one of the recipients. Show the required information, including the amount paid, for the other recipient(s) on an attached statement. Enter your total payments on line 29.

**Divorce or Separation Instruments Executed After 1984.** Generally, you may deduct any payment made in cash to, or on behalf of, your spouse or former spouse under a divorce or separation instrument executed after 1984.

• The instrument does not prevent the payment from qualifying as alimony, and you and your spouse or former spouse did not agree before the payment was made if you were separated under a decree of divorce or separate maintenance, and

**Line 27**  
**Keogh Retirement Plan and Self-Employed SEP Deduction**

If you are self-employed or a partner, deduct your contributions to a Keogh plan or SEP on line 27. Deduct payments for your employees on Schedule C or F.

**Caution:** You must be self-employed to claim the Keogh deduction. There are two types of Keogh plans.

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You can deduct periodic payments of alimony or separate maintenance made under a court decree. You can also deduct payments made under a written separation agreement or a decree for support. Don't deduct lump-sum cash or property settlements; voluntary payments not made under a court order; or amounts specified as child support.

For details, see **Tele-Tax Information** in the index (topic no. 252) or get Pub. 504, Tax Information for Divorced or Separated Individuals.

You must enter the recipient's last name, if different than yours, and his or her social security number in the space provided on line 29. If you don't, you may have to pay a \$50 penalty and your deduction may be disallowed. If you paid alimony to more than one person, enter the name of each on line 29 and last name, if applicable, of one of the recipients. Show the required information, including the amount paid, for the other recipient(s) on an attached statement. Enter your total payments on line 29.

**Divorce or Separation Instruments Executed After 1984.** Generally, you may deduct any payment made in cash to, or on behalf of, your spouse or former spouse under a divorce or separation instrument executed after 1984.

• The instrument does not prevent the payment from qualifying as alimony, and you and your spouse or former spouse did not agree before the payment was made if you were separated under a decree of divorce or separate maintenance, and

**Caution:** If you are married filing a separate return and your spouse itemizes deductions, or if you are a dual-status alien (you checked the box on line 33c), you cannot take the standard deduction even if you were 65 or older or blind.

Standard Deduction Chart for Most People	
DO NOT use this chart if you were 65 or older or blind OR if someone can claim you as a dependent.	
If your filing status is:	Your standard deduction is:
Single	\$3,100
Married filing joint return	\$5,200
Qualifying widow(er) with dependent child	\$5,200
Married filing separate return	\$2,600
Head of household	\$4,550

### Standard Deduction Chart for People Age 65 or Older or Blind

If someone can claim you as a dependent, use the worksheet below, instead.

Caution: Do not use the number of exemptions from line 6a.		
Enter the number from the box on line 33a of Form 1040	and the number in the box above is:	Your standard deduction is:
Single	1	\$3,850
	2	4,600
Married filing joint return	1	\$5,800
or	2	6,400
Qualifying widow(er) with dependent child	3	7,000
	4	7,600
Married filing separate return	1	\$3,200
	2	3,400
	3	3,600
	4	5,000
Head of household	1	\$5,300
	2	6,050

### Standard Deduction Worksheet for Dependents (Keep for your records)

Use this worksheet ONLY if someone can claim you as a dependent.

1. Enter your earned income (defined below). If none, enter -0-	1. _____
2. Minimum amount	2. \$500
3. Compare the amounts on lines 1 and 2. Enter the larger of the two amounts here	3. _____
4. Enter on line 4 the amount shown below for your filing status:	4. _____
<ul style="list-style-type: none"> <li>• Single, enter \$3,100</li> <li>• Married filing a separate return, enter \$2,600</li> <li>• Married filing a joint return or Qualifying widow(er) with dependent child, enter \$5,200</li> <li>• Head of household, enter \$4,550</li> </ul>	
5. Standard deduction.	
<ul style="list-style-type: none"> <li>a. Compare the amounts on lines 3 and 4. Enter the smaller of the two amounts here. If under 65 and not blind, stop here and enter this amount on Form 1040, line 34. Otherwise, go on to line 5b.</li> <li>b. If 65 or older or blind, multiply \$750 (\$500 if married filing a joint or separate return, or qualifying widow(er) with dependent child) by the number on Form 1040, line 33a. Enter the result</li> <li>c. Add lines 5a and 5b. Enter the total here and on Form 1040, line 34.</li> </ul>	

**Earned income** includes wages, salaries, tips, professional fees, and other compensation received for personal services you performed. It also includes any amount received as a scholarship that you must include in your income. Generally, your earned income is the total of the amount(s) you reported on Form 1040, lines 7, 12, and 19.

### Line 38

**Tax**  
To figure your tax, use one of the following methods:  
**Tax Rate Schedules.** You must use the Tax Rate Schedules to figure your tax if your taxable income is \$50,000 or more.  
**Form 8615.** Form 8615 must generally be used to figure the tax for any child who was under age 14 on January 1, 1990, and who had more than \$1,000 of investment income (including dividends). However, if neither of the child's parents was alive on December 31, 1989, do not use Form 8615 to figure the child's tax.  
**Tax Table.** If neither of the above conditions applies to you, you MUST use the Tax Table to find your tax. Be sure you used to figure the tax for any child who was

Page 17

### Line 39

#### Additional Taxes

Check the boxes on line 39 to report any additional taxes from:  
Form 3468, Computation of Investment Credit. This credit was generally repealed for property placed in service after 1985. For exceptions, see Form 3468.  
Form 5884, Jobs Credit. If you are a business employer who hires people who are members of certain target groups, you may qualify for this credit. Use Form 5884 to figure the credit. Get Pub. 572, General Business Credit, for more details.  
Form 6478, Credit for Alcohol Used as Fuel. If you sell straight alcohol (or an alcohol mixture) at retail or use it as fuel in your trade or business, you may be able to take a credit for the alcohol used as fuel. Use Form 6478 to figure the credit.  
Form 6765, Credit for Increasing Research Activities. You may be able to take a credit for the research and development expenditures paid or incurred in carrying on your trade or business. Use Form 6765 to figure the credit.  
Form 8586, Low-Income Housing Credit and Schedule A, (Form 8609), Annual Statement. If you owned a building that was part of a low-income housing project, you may be able to take this credit. Use Form 8586 and Schedule A (Form 8609) to figure the credit.  
Form 8609, Low-Income Housing Credit Allocation Certificate.

### Line 40

#### Credits

**Line 41**  
**Credit for Child and Dependent Care Expenses**  
You may be able to take a credit on line 41 for payments you made for child and disabled dependent care while you (and your spouse if you were married) worked or looked for work.  
The credit is allowed if you kept up a home that included a child under age 13, or a dependent or spouse who could not care for himself or herself. Use Form 2441 to figure the credit. To take the credit, you must show on Form 2441 the name, address, and identifying number of the person or organization who provided the care. Please see the instructions for more details, including special rules for divorced or separated parents.  
**Note:** If someone cared for your child or disabled dependent in your home, both you and the employee may have to pay a share of the social security tax on the employee's wages. You may also have to pay Federal unemployment tax, which is for your employee's unemployment insurance. For more details, see Pub. 926, Employment Taxes for Household Employers.

### Line 42

#### Credit for the Elderly or the Disabled

You may be able to take this credit and reduce your tax if, by the end of 1989, you were:  
• age 65 or older, or  
• age 65 or older and you had taxable disability income in 1989.  
For more information, see the separate instructions for Schedule R. Enter the credit on line 42. If you want IRS to figure the credit for you, see **IRS Will Figure Your Tax** and **Some of Your Credits** on page 16.

### Line 43

#### Foreign Tax Credit

Form 1116 explains when you can take this credit for payment of income tax to a foreign country. Also get Pub. 514, Foreign Tax Credit for Individuals. Enter the credit from Form 1116 on line 43.

### Line 44

#### General Business Credit

Complete line 44 if you can take any of the 5 credits listed below. Attach a separate schedule credit form (as described below) to show the credits. If you have two or more of these credits, a credit carryforward, or a general business credit from a passive activity, you must also complete Form 3800 to figure the total credit and enter on line 44 the amount from Form 3800. Also be sure to check Box D on Form 3800. If you have only one credit, enter on line 44 the amount of the credit from the form. Also, check Box b.

### Line 45

#### Credit for Prior Year Minimum Tax

You may be able to reduce your 1989 tax by this credit if you paid alternative minimum tax in 1988. Get Form 8601, Credit for Prior Year Minimum Tax, to see if you qualify for the credit.

### Line 46

#### Mortgage Interest Credit

Add amounts on lines 41 through 45 and enter the total on line 46. Also include in the total on line 46 any of the following credits:  
**Mortgage Interest Credit.** You may be able to take a credit for part of the interest you paid on a qualified mortgage loan secured by a state or local government certificate or a mortgage credit certificate under a qualified mortgage credit certificate program to buy, rehabilitate, or make improvements to your main home. You must complete and attach Form 8396, Mortgage Interest Credit, to figure the amount of the credit to include in the total for line 46. Do not include in the credit the amount for the "MIC" (mortgage interest credit) and show the amount.

### Line 47

#### Credit for Fuel From a Nonconventional Source

A credit is allowed for the sale of qualified fuels produced from a nonconventional source. See I.R. Code section 29 for a definition of qualified fuels, provisions for figuring the credit, and other special rules. Attach a separate schedule credit form (as described below) to show the credit in the total for line 46. On the dotted line next to this total, write "FNS" and show the amount.

### Line 48

#### Other Taxes

**Line 49**  
**Self-Employment Tax**  
If you had self-employment income in 1989, and earned under \$48,000 in wages

### Line 50

#### Recapture Taxes

You may owe the tax computed on Form 4255, Recapture of Investment Credit, if you disposed of investment credit property or changed its use before the end of its useful life or recovery period. See Form 4255 for details. If you owe this tax, check the box for Form 4255 and enter any tax due on line 50.

### Line 51

#### Social Security Tax on Tip Income

If you received tips of \$20 or more in any month and you did not report the full amount to your employer, or your W-2 form(s) shows allocated tips that you must report in income, you must pay the social security or railroad retirement (RRTA) tax on the

from which social security tax or RRTA tax was withheld, you may have to pay self-employment tax. Please see Schedule SE (Form 1040) and its instructions. If you have to pay self-employment tax, enter the amount from Schedule SE.

### Line 49

#### Alternative Minimum Tax

You may be liable for the alternative minimum tax if the amount on line 32 plus any of the items listed below and included on your return total more than:  
• \$40,000 if married filing jointly or a qualifying widow(er) with dependent child, or  
• \$30,000 if single or head of household, or  
• \$20,000 if married filing separately.  
1. Accelerated depreciation  
2. Amortization of certified pollution-control facilities  
3. Charitable contribution of appreciated capital gain property  
4. Incentive stock options  
5. Tax-exempt interest from private activity bonds or exempt-interest dividends from a regulated investment company  
6. Intangible drilling costs  
7. Depletion  
8. Circulation and research and experimental exploration and development costs  
9. Mining exploration and development costs  
10. Installment sales of property  
11. Tax shelter farm loss  
12. Passive activity loss  
13. Income from long-term contracts

**Note:** A child under age 14 may owe the alternative minimum tax if the amount on line 32, plus any of the items listed above and included on the return total more than the sum of \$1,000 plus the child's earned income.

Get Form 6251 and its instructions to see if you owe this tax.

### Line 50

#### Recapture Taxes

You may owe the tax computed on Form 4255, Recapture of Investment Credit, if you disposed of investment credit property or changed its use before the end of its useful life or recovery period. See Form 4255 for details. If you owe this tax, check the box for Form 4255 and enter any tax due on line 50.

If you disposed of property (or there was a deemed disposition of the property) on which you took the low income housing credit, you may owe the tax computed on Form 8611, Recapture of Low-Income Housing Credit. See Form 8611 for more information. If you owe this tax, check the box for Form 8611 and enter any tax due on line 50.

### Line 51

#### Social Security Tax on Tip Income

If you received tips of \$20 or more in any month and you did not report the full amount to your employer, or your W-2 form(s) shows allocated tips that you must report in income, you must pay the social security or railroad retirement (RRTA) tax on the

### Line 52

#### Other Taxes

**Line 48**  
**Self-Employment Tax**  
If you had self-employment income in 1989, and earned under \$48,000 in wages

from which social security tax or RRTA tax was withheld, you may have to pay self-employment tax. Please see Schedule SE (Form 1040) and its instructions. If you have to pay self-employment tax, enter the amount from Schedule SE.

### Line 49

#### Alternative Minimum Tax

You may be liable for the alternative minimum tax if the amount on line 32 plus any of the items listed below and included on your return total more than:  
• \$40,000 if married filing jointly or a qualifying widow(er) with dependent child, or  
• \$30,000 if single or head of household, or  
• \$20,000 if married filing separately.  
1. Accelerated depreciation  
2. Amortization of certified pollution-control facilities  
3. Charitable contribution of appreciated capital gain property  
4. Incentive stock options  
5. Tax-exempt interest from private activity bonds or exempt-interest dividends from a regulated investment company  
6. Intangible drilling costs  
7. Depletion  
8. Circulation and research and experimental exploration and development costs  
9. Mining exploration and development costs  
10. Installment sales of property  
11. Tax shelter farm loss  
12. Passive activity loss  
13. Income from long-term contracts

**Note:** A child under age 14 may owe the alternative minimum tax if the amount on line 32, plus any of the items listed above and included on the return total more than the sum of \$1,000 plus the child's earned income.

Get Form 6251 and its instructions to see if you owe this tax.

### Line 50

#### Recapture Taxes

You may owe the tax computed on Form 4255, Recapture of Investment Credit, if you disposed of investment credit property or changed its use before the end of its useful life or recovery period. See Form 4255 for details. If you owe this tax, check the box for Form 4255 and enter any tax due on line 50.

If you disposed of property (or there was a deemed disposition of the property) on which you took the low income housing credit, you may owe the tax computed on Form 8611, Recapture of Low-Income Housing Credit. See Form 8611 for more information. If you owe this tax, check the box for Form 8611 and enter any tax due on line 50.

### Line 51

#### Social Security Tax on Tip Income

If you received tips of \$20 or more in any month and you did not report the full amount to your employer, or your W-2 form(s) shows allocated tips that you must report in income, you must pay the social security or railroad retirement (RRTA) tax on the





**Excess Railroad Retirement (RRTA) Taxes Withheld.** For 1989 no more than \$5,354.10 in RRTA tax should have been withheld from your pay. If any one railroad employer withheld more than that amount, you may claim a credit for the excess to you. You cannot claim it on your return.

**Total Payments**  
Add lines 56 through 62 and enter the total on line 63. Also include on this line any credit for overpaid windfall profit tax (OWPT) from Form 6249. Write the estimated tax, to figure the amount of any excess RRTA or social security taxes withheld if either of the following applies to you:

- You had more than one railroad employer and you had more than \$5,354.10 in RRTA taxes withheld from your wages in 1989.
- You had both RRTA tax and social security tax withheld from your wages in 1989 and the total withheld was more than \$3,604.80.

**Caution:** If you were a government employee who paid only the 1.45% Medicare (hospital insurance benefits) tax on your government wages, do not include on line 1 of the worksheet below the Medicare tax withheld from your wages. Go to line 62 to enter the amount of any excess Medicare tax paid.

If you are filing a joint return, you must figure excess social security tax withholding separately for each spouse. Do NOT combine amounts of both husband and wife.

**Worksheet (Keep for your records)**

1. Add all social security tax withheld (but not more than \$3,604.80 for each employer). Enter the total here.
2. Enter any uncollected social security tax from Form 1040, line 53. Enter the total on line 1040, line 53.
3. Add lines 1 and 2.
4. Social security tax limit. -3,604.80
5. Subtract line 4 from line 3. Enter this amount on line 60.

**Line 61**  
Credit for Federal Tax on Fuels

If you can take a credit for tax on gasoline, diesel fuel, and other fuels used in your business, or for certain diesel-powered cars, vans, and light trucks, please attach Form 4136. Enter the credit on line 61.

**Line 62**

**Regulated Investment Company Credit**  
Enter on this line the total amount of the credit for taxes paid by a Regulated Investment Company (RIC) on your behalf. Be sure to attach Copy B of Form 2439. Also include on line 62 any excess Medicare Tax Credit.

**Excess Medicare Tax Credit.** If you were a federal, state, or local government employee whose wages in 1989 were subject only to the 1.45% Medicare (hospital insurance benefits) tax, and you had more than \$48,000.00 in 1989 wages that, when added to your government wages, would have exceeded the \$48,000.00 Medicare tax may have been withheld. If so, you may take a credit against your income tax. Use Form 4469 to figure the credit.

**Line 66**  
Applied to 1990 Estimated Tax

Subtract line 65 from line 64. This is the amount that will be applied to your estimated tax for 1990. Enter this amount on line 66.

We will apply amounts to your account unless you request us to apply it to your spouse's account. The request should include your spouse's social security number.

**Line 67**

**Amount You Owe**  
(If line 55 is larger than line 63)  
Subtract line 63 from line 55 and enter the result. This is the amount you owe.

Attach your check or money order for the full amount when you file. If line 67 is under \$1, you do not have to pay. Do not include any estimated tax payment in your check or money order. Mail any estimated tax payment in a separate envelope from the Form 1040.

**Income Tax Withholding for 1990.** If you have any estimated tax payments for 1990, increase the amount of income tax withheld from your pay for 1990. To do this, file Form W-4, Employee's Withholding Allowance Certificate, with your employer. Otherwise, you may have to make estimated tax payments for 1990. See **Should You Make Estimated Tax Payments for 1990?** on page 22.

For more details, get Pub. 505, Tax Withholding and Estimated Tax.

**Line 68**  
Penalty for Underpayment of Estimated Tax

If line 67 is \$500 or more and more than 10% of the tax shown on your return, or you underpaid your 1989 estimated tax liability for any payment period, you may owe a penalty. Get Form 2210 (Form 2210b for married couples) to figure the penalty. If you want, IRS will figure the penalty for you and send you a bill.

**How to Avoid the Penalty.** You will not owe the penalty or have to complete Form 2210 (or 2210b) if either of the following applies:

1. You had no tax liability for 1988, you were a U.S. citizen or resident for all of 1988, and your 1988 tax return was for a tax year of 12 full months, or
2. The total of lines 36, 57, 60, and any other lines 61 through 65 is at least as much as your 1988 tax liability, AND your 1988 tax return was for a tax year of 12 full months. Your estimated tax payments for 1989 must have been made in 4 equal and timely installments.

**Note:** For 1989, the supplemental Medicare premium on line 54 is not treated as a tax for purposes of the penalty.

Under certain conditions the penalty may be waived. If you do not meet either of the conditions, you must complete Form 2210 (or 2210b) to see if you qualify for a waiver. **Figuring the Penalty.** If you cannot avoid the penalty and you choose to figure it

Page 21

yourself on Form 2210 (or 2210b), enter the penalty amount on line 68. **Additional Information.** If you are due a refund, enter the total on line 67. If you are due a refund, subtract the penalty amount from the overpayment you show on line 64.

If you used the annualized income installment method to figure your required payments, write "AI" on the dotted line next to line 68. If you are claiming a waiver, write "Waiver" on the dotted line next to line 68. If you leave line 68 blank, IRS will figure the penalty and send you a bill. We will not use 10% of the correct tax as the penalty unless you check the correct box.

**What to Attach.** Generally, you are not required to attach Form 2210 (or 2210b) to your return, even if you owe the penalty. But, you MUST complete and attach the form if you claim a waiver or use the annualized income installment method.

**Should You Make Estimated Tax Payments for 1990?**  
In general, you do not have to make estimated tax payments if you expect that your 1990 Form 1040 will show a tax refund, or a tax balance due IRS of less than \$500. If your total estimated tax (including any alternative minimum tax and any other payments) is \$500 or more, please get Form 1040-ES. It contains a worksheet that you can use to see if you have to make estimated tax payments.

**Sign Your Return**

Form 1040 is not considered a valid return unless it is signed. You must sign and date it as a joint return. Be sure to date your return and show your occupation in the space provided. If you have someone prepare your return for you, you are still responsible for the correctness of the return. If you are filing a joint return with your deceased spouse, see **Death of Taxpayer**, on page 23.

**Child's Return.** If your child cannot sign his or her return, you must sign for him or her in the space provided. Be sure to sign "By (your signature), parent for minor child."

**Paid Preparers Must Sign Your Return.** Generally, anyone you pay to prepare your return must sign it. A preparer who signs your return must sign it by hand in the space provided (signature stamps or labels cannot be used), and give you a copy of the return for your records. Someone who changes your return after you have signed it should not sign it.

To return preparers should be familiar with their responsibilities. They should get Form 1045, Information for Tax Practitioners, for more details.

**Avoid Common Mistakes**

This checklist is to help you make sure your form is filled out correctly. Errors may delay your refund.

1. Are your name and address correct on the form?
2. If you took the standard deduction, did you check the correct box on line 17?
3. Did you check the correct box on line 17?

Page 22

3. Did you attach your W-2 form(s) and any other required forms to your return? See Step 6 on page 6.

4. Did you add and subtract correctly, especially when figuring your refund or amount you owe?

5. Did you use the correct filing status and taxable income amount to find your tax in the Tax Table?

6. If a child lived with you and your earned income was under \$19,340, did you see if you can take the earned income credit on line 38? See page 20.

7. Did you write your social security number, daytime phone number, and 1989 Form 1040 on your check or money order?

8. Did you sign and date your tax form?

**General Information**

**Penalties and Interest**

**Interest.** We will charge you interest on taxes not paid by their due date, even if an extension of time to file is granted. We will also charge you interest on penalties imposed against you for filing late returns and substantial understatement of tax. Interest is charged on the penalty from the date of the return (including extensions).

**Late Filing of Return.** You can avoid penalties for late filing by sending in your return by the due date. If you file late, the penalty is 5% of the amount due for each month or part of a month your return is late, unless you have a reasonable explanation. If you get more than 25% of the tax due if your return is more than 60 days late, the minimum penalty will be \$100 or the amount of any tax you owe, whichever is smaller.

**Late Payment of Tax.** If you pay your taxes late, the penalty is usually 1/2 of 1% of the unpaid amount for each month or part of a month the tax is not paid. The penalty cannot be more than 25% of the unpaid tax. It also applies to any additional tax shown on a bill not paid within 10 days of the date of the bill. This penalty is in addition to interest charges on late payments.

**Note:** If you include interest or either of these penalties with your payment, identify and enter these amounts in the bottom margin of Form 1040, page 2. Do not include the interest or penalty amounts in **Amount You Owe** on line 67.

**Penalty for Frivolous Return.** In addition to any other penalties, the law imposes a penalty of \$5,000 for a frivolous return. A frivolous return is one that does not contain information needed to figure the correct tax, or shows a substantially incorrect tax, because you take a frivolous position or desire to delay or interfere with the tax laws. This includes any altering or striking out of the preprinted language above the space where you sign.

**Other Penalties.** There are also other penalties that can be imposed for negligence, substantial understatement of

tax, and fraud. Criminal penalties may be imposed for willfully falsifying information, or for making a false statement. Get Pub. 17, Your Federal Income Tax, for details on some of these penalties.

**Do Both the Name and Social Security Number on Your Tax Forms Agree With Your Social Security Card?**

If not, your refund may be delayed or you may not receive credit for your 1989 W-2 Form 1099, or other tax document shows an incorrect social security number or name, notify your employer or the form-issuing agent. If the name or number on your social security card is incorrect, contact your Social Security Administration office. The telephone number is listed in the Phone Book under "Social Security Administration."

**Gift To Reduce the Public Debt**

You may make a gift to reduce the public debt. If you wish to do so, enclose a separate check with your income tax return. The check must be payable to "U.S. Treasury Department." Be sure to deduct this gift on your 1990 tax return if you itemize your deductions. Please do not add it to any tax you may owe. If you owe tax, include a separate check for that amount payable to "Internal Revenue Service."

**Address Change**

If you move, you should always notify the IRS Service Center where you filed your last return. If you move after you file your return and you are expecting a refund, also notify the post office serving your old address. This will help to forward your check to your new address.

**Mailing Your Return**

If you received an envelope with your forms booklet, please use it. If you didn't receive an envelope, or you moved during the year, see **Where To File** on page 5. Envelopes with insufficient postage will be returned by the post office.

**Corresponding With IRS**

Be sure to include your social security number in any correspondence with IRS.

**How Long Should Records Be Kept?**

Keep records of income, deductions, and any worksheets used to figure them, until the statute of limitations runs out for the return. Usually this is 3 years from the date the return was due or filed, or 2 years from the date the tax was paid, whichever is later. Also keep copies of your filed tax returns as part of your records. You should keep property records including those on your own home as long as they are needed to figure the basis of the original or replacement property. For more details, get Pub. 552.

**Requesting a Copy of Your Tax Return**

If you need a copy of your tax return, use Form 4506, Request for Copy of Tax Form. The charge for a copy of a return is \$25. If you need tax account information, contact your local IRS office. If you want a mailed copy of your account, it will be printed to you free of charge.

### Substitute Tax Forms

You may not use your own version of a tax form unless it meets the requirements contained in Pub. 1167 for acceptable substitutes designed by the IRS. Substitute tax forms are available from the IRS, the Forms Distribution Center for your state. See the next to the last page of this instruction booklet for the address.

### Amended Return

If you find changes in your income, deductions, or credits after you mail your return, file Form 1040X, Amended U.S. Individual Income Tax Return, to change the return you already filed. Generally, Form 1040X must be filed within 3 years after the date the original return was filed, or within 2 years after the date the tax was paid.

Consider the date the return was filed early as the date for the 3-year period. Reason for the return is changed for an audit of your return by IRS. It may affect your state income tax return. Contact your state tax agency for more information.

### Death of Taxpayer

If a taxpayer died before filing a return for 1989, the taxpayer's spouse or personal representative may have to file and sign a return for the person who died. A personal representative can be an executor, administrator, or anyone who is in charge of the deceased person's property.

If the taxpayer did not have to file a return but had tax withheld, a return must be filed to get a refund.

The person who files the return should write "deceased" after the deceased's name and address "DECEASED" across the name and address "DECEASED" across the top of the tax return.

If your spouse died in 1989 and you did not remarry in 1989, you can file a joint return. You can also file a joint return if your spouse died in 1990 before filing a 1989 return. A joint return should show your spouse's 1989 income before death and your income for all of 1989. Also write "deceased" after the deceased's name and where you sign the return. If someone else is the personal representative, he or she must also sign.

### Claiming a Refund for a Deceased Person

If you are a surviving spouse filing a joint return with the deceased, file only the tax return to claim the refund. If you are a court-appointed representative, file the return AND attach a copy of the certificate of appointment. You must also attach a request for a refund of the deceased's share of the refund and attach Form 1310.

For more details, see **Tele-Tax**.

Information in the index (topic no. 158) or get Pub. 559, Tax Information for Survivors, Executors, and Administrators.

## Instructions for Schedule A

### Itemized Deductions

- **Changes You Should Note** — Beginning in 1989, if you use your home telephone for business purposes, you may

not deduct any of the basic local service charge (including taxes) for the first telephone line into your home.

- For taxable bonds acquired after 1982, you may deduct the premium as an amortizable bond premium on Schedule A. Instead, reduce the interest income on the bond by the amount of the premium. For details, see the instructions for Schedule B.

For taxable bonds acquired after October 22, 1986, and before January 1, 1988, you may choose to either deduct any amortizable bond premium as interest on Schedule A, line 11, or reduce your interest income on the bond as explained above.

### Purpose

Some taxpayers should itemize their deductions because they will save money by doing so. See **Standard Deduction OR Itemized Deductions** on page 16.

If you itemize, you can deduct part of your medical and dental expenses and unreimbursed employee business expenses, interest, contributions, and certain miscellaneous expenses. You may also deduct certain moving expenses and casualty and theft losses.

## Lines 1a through 4

### Medical and Dental Expenses

Before you can figure your total deduction for medical and dental expenses, you must complete Form 1040 through line 32.

You may deduct only that part of your medical and dental expenses that is more than 7 1/2% of the amount on Form 1040, line 32.

**Line 1a.** Enter the amount you paid for doctors, dentists, nurses, and hospitals, prescription medicine and drugs, or for insulin, after you reduce these expenses by any payments received from insurance or other sources. Also include the total amount you paid for insurance premiums for medical and dental care.

**Caution:** If you were self-employed, do not include the cost of your health insurance you deducted on Form 1040, line 26.

**Line 1b.** Enter the amounts spent for transportation and lodging, and other expenses such as hearing aids, dentures, eyeglasses, and contact lenses, after you reduce these expenses by any payments received from insurance or other sources. List the medical expense and the amount of the expense. Enter one total in the total amount column on line 1b.

**Note:** If your insurance company paid your medical expenses, and you paid only the amount that remained, include in your medical expenses ONLY the amount that you paid.

If you received a reimbursement in 1989 of prior year medical or dental expenses, do not reduce your 1989 expenses by this amount. You must include the reimbursement in income on Form 1040, line 22. If you deducted the reimbursement, then you must include the deduction reduced your tax. Pub. 502 tells you how to figure the amount to include in income.

When you figure your deduction, you may include medical and dental bills you paid for:

- Yourself
- Your spouse
- All dependents you claim on your return
- Your child whom you do not claim as a dependent because of the rules explained on page 8 for Children of Divorced or Separated Parents.
- Any person that you could have claimed as a dependent on your return if that person had lived in 1989 and had gross income or had not filed a joint return.

**Example.** You provided more than half of your mother's support but may not claim her as a dependent because she received \$2,000 of wages during 1989. If part of your support was the payment of her medical bills, you may include that part in your medical expenses.

### Examples of Medical and Dental Expenses You May Deduct

To the extent you were not reimbursed, you may deduct what you paid for:

- Prescription medicines and drugs, or insulin
- Medical doctors, dentists, eye doctors, chiropractors, osteopaths, podiatrists, psychiatrists, psychologists, physical therapists, acupuncturists, and psychoanalysts (medical care only).
- Medical examinations, X-ray and laboratory tests, insulin treatment, and hospital care.
- Nursing help. If you need someone to do both nursing and housework, you may deduct only the cost of the nursing help.
- Hospital care (including meals and lodging), clinic costs, and lab fees
- Medical treatment at a center for drug addicts or alcoholics
- Medical aids such as hearing aids, batteries, braces, crutches, wheelchairs, guide dogs and the cost of maintaining them.
- Lodging expenses (but not meals) paid while away from home to receive medical care in a hospital or a medical care facility that is related to a hospital. Do not include more than \$50 a night for each eligible person.
- Ambulance service and other travel costs to get medical care. If you used your own vehicle, you may deduct only the cost of gas and tolls to and from the place you received the care, or you may claim 9 cents a mile. Add parking and tolls to the amount you claim under either method.

### Examples of Medical and Dental Payments You MAY NOT Deduct (Medicare A)

- The basic cost of Medicare insurance (Medicare A).
- Note: If you were 65 or older but not entitled to social security benefits, you may deduct premiums you voluntarily paid for Medicare A coverage.
- Life insurance or income protection policies.
- The 1.45% Medicare (hospital insurance benefits) tax withheld from your pay as part of the social security tax or the Medicare tax withheld from your self-employment tax.

Page 23

## Lines 9a through 13

### Interest You Paid

Include interest you paid on nonbusiness items only. Whether your interest is treated as investment interest depends on how and when you used the loan proceeds. Get Pub. 545, Interest Expense, for details.

In general, if you paid interest in 1989 on a loan that you used during the period after 1989, you may deduct only the amount that applies for 1989.

**Note:** If you have a loan agreement that in any way refers to the "Rule of 78's," see Pub. 545.

### Interest You MAY Deduct

**Lines 9a and 9b.—Home Mortgage Interest.** In most cases, you will be able to deduct all of your home mortgage interest. The following rules apply to any loans secured by your main home, including first and second mortgages, home equity loans, and refinanced mortgages. Whether your home mortgage interest is deductible depends on the date you took out the loan and the amount of the mortgage and your use of its proceeds.

If ALL of your mortgages fit into one or more of categories a, b, and c below, you can deduct all of the interest on those mortgages and report it on Schedule A, line 9a or 9b, whichever applies. If one or more of your mortgages does not fit into any of the categories below, get Pub. 936, Limits on Home Mortgage Interest Deduction, to figure the amount of interest you can deduct.

### a. Mortgages you took out on your main home DN or BEFORE October 13, 1987

These mortgages also include line of credit mortgages you had on October 13, 1987, and mortgages you had on October 13, 1987, that you refinanced after that date. But see **Special Rules** below if you refinanced or borrowed additional amounts on a Form 1098, Mortgage Interest Statement, after October 13, 1987.

**b. Mortgages you took out on your main home AFTER October 13, 1987, to buy, build, or improve your home, but only if these mortgages plus any mortgages in a above totaled \$1 million or less throughout 1989. The limit is \$500,000 or less if married filing separately.**

**c. Mortgages you took out AFTER October 13, 1987, on your main home, OTHER THAN to buy, build, or improve your home.** If you have a mortgage on a home that was purchased after October 13, 1987, the limit is \$500,000 or less if married filing separately. An example is a home equity loan you used to pay credit card bills, to buy a car, or to pay tuition costs.

**Special Rules**

**Refinanced Mortgages.** If you had a mortgage on your home on October 13, 1987, and refinanced it after that date for no more than the balance of the old mortgage, all of the new mortgage is treated as a mortgage described in a above. But, if you refinanced it for more than the balance of the old mortgage, only the amount of the new mortgage that is equal to the amount you owed on the old mortgage at the time you refinanced it is treated as a mortgage described in a. The part of the new

deductible mortgage interest on line 9b (other than your spouse if you file a joint return) were liable for and paid interest on the mortgage, and the other person received the Form 1098, attach a statement to your return showing the name of that person. Next to line 9b, write "See attached."

**Line 10.—Points.** Generally, points (including bond origination fees) charged

1098 from the recipient, report your deductible mortgage interest on line 9b

If you and at least one other person (other than your spouse if you file a joint return) were liable for and paid interest on the mortgage, and the other person received the Form 1098, attach a statement to your return showing the name of that person. Next to line 9b, write "See attached."

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mortgage that is more than the balance of the old mortgage is a mortgage described in b above. See **Special Rules** below.

### Line 9.—Credit Mortgages

If you had a line of credit mortgage on your home on October 13, 1987, and you borrowed additional amounts on this line of credit after that date, the additional amounts borrowed are treated as a mortgage taken out after October 13, 1987, and are subject to the rules under b or c (or b and c if a mixed-use mortgage—see below).

**Mixed-use Mortgages.** If you took out a line of credit mortgage for more than what (including refinancing) you owed on what you owed or borrowed additional amounts on a line of credit mortgage you had on October 13, 1987, for purposes described in both b and c above, you have a mixed-use mortgage. The mortgage proceeds used to buy, build, or improve the home fit into category b and the rest of the proceeds fit category c.

**Note:** Additional amounts applied to the total amount of the mortgage would not reduce the fair market value of the home. See Pub. 936, Limits on Home Mortgage Interest Deduction.

**What Is a Home.**—A home may be a main home and a second home, the dollar limits explained in b and c above apply to mortgages on both homes. See Pub. 936, Limits on Home Mortgage Interest Deduction.

**Line 9a.** Enter the interest you paid on deductible mortgages on line 9a, or on line 9b, if you received a Form 1098, Mortgage Interest Statement, (if you did not receive a Form 1098, enter the interest on line 9b.)

If you paid \$600 or more of mortgage interest, the recipient will generally send you a Form 1098, or similar statement, by January 31, 1990, showing the total interest received during 1989. Any points you paid will not be shown.

If you paid more interest than the financial institution that you borrowed from on Form 1098, get Pub. 545 to see if you can deduct the additional interest. If you can, attach a statement explaining the difference and write "See attached" next to line 9a.

**Note:** If you qualify for the Mortgage Interest Credit (see instructions for Form 1040, line 46), subtract the amount shown on line 3 of Form 8396 from the total deductible interest you paid on your home mortgage and enter the result on line 9a.

**Line 9b.** If the recipient was not a financial institution or you did not receive a Form 1098 from the recipient, report your deductible mortgage interest on line 9b

If you and at least one other person (other than your spouse if you file a joint return) were liable for and paid interest on the mortgage, and the other person received the Form 1098, attach a statement to your return showing the name of that person. Next to line 9b, write "See attached."

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Instructions K-1. If you did not receive these instructions with your Schedule K-1, you must get a copy at most IRS offices. Your copy of Schedule K-1 and the instructions will tell you where on your return to report your share of the items.

Special rules apply to limit losses if you have a current year loss or a prior year unallowed loss from a partnership or S corporation, see the **At-Risk Rules** beginning on page 31 and the **Passive Activity Loss Rules** on page 32.

Partners and S corporation shareholders should get a separate statement of income, expenses, deductions, and credits for each activity engaged in by the partnership and S corporation. You are subject to at-risk rules for any amount of any deductible loss. If the activity is nonpassive, enter the deductible loss, if any, from Form 6198 in Part II, column (i) of Schedule E.

If you have a passive activity loss, you generally need to complete Form 8582 to figure the amount of the allowable loss to enter in Part II, column (g), for that activity. If you are an S corporation shareholder, you must also complete Form 8582 to figure the amount of any deductible loss.

**• If you have a nonpassive income or loss.** If you have a nonpassive income or loss, complete Part II, columns (i) through (k), as appropriate.

If you are treating items on your tax return differently from the way the partnership or S corporation reported them on its return, you may have to file **Form 8082, Notice of Inconsistent Treatment or Amended Return**.

**Limits on Section 179 Deductions.** The maximum you can deduct on your return for recovery property (section 179) is \$10,000. For example, if you received a Schedule K-1 allocating \$11,000 of section 179 expense to you, the maximum amount you can deduct from your sources that allocate this limit is reduced if the total cost of the section 179 property is more than \$200,000. Your deduction is also limited to the total taxable income from all your trades or businesses. See Form 4562 and Pub 534 for details.

If you are claiming a nonpassive 179 deduction from a separate activity, you must also claim an allowable deduction in Part II, column (i).

**Partnerships.** If you have other partnership items relating to a passive activity, or income or loss from a partnership, you must also report them on Form 8582, instructions before entering them on your return.

If you have other partnership items, such as depletion, from a nonpassive activity, show each item on a separate line in Part II. Show unamortized partnership expenses on separate lines of Schedule E.

from nonpassive activities on a separate line in column (i) of Part II. Unreimbursed expenses that are itemized deductions are entered on Schedule A (Form 1040). Report allowable interest expense paid or accrued from nonrecourse acquisition on Part II, Schedule A, line 13. The type of expenditure to which the interest is allocated. See Pub. 545 for details.

If you claimed a credit for Federal tax on gasoline or other fuels on your 1988 Form 1040 (based on information received from the partnership), enter as income in column (h) or column (k), whichever applies, the amount of the credit claimed in 1988.

Part or all of your share of partnership income or loss from the operation of the partnership may be considered "earnings" from self-employment that must be reported on Schedule SE (Form 1040) 1065, line 14a, on Schedule SE, after you reduce this amount by any allowable expenses attributable to that income.

If you have losses or deductions from a prior year that you could not deduct because of the at-risk or basis rules, and the amounts are now deductible, do not include them in your current year amounts. Any current year amounts to arrive at a net figure to report on Schedule E, instead, report on separate lines on Schedule E, prior year amounts and current year amounts.

**S Corporations.** Your share of the net income is NOT subject to self-employment tax. Distributions of prior-year accumulated earnings and profits of S corporations are dividends and are reported on Schedule B (Form 1040). For details, see Pub. 589, Tax Information on S Corporations.

Interest on expenses relating to the production of income for S corporation may be fully deductible on Schedule E. For details, see Pub. 545.

As a shareholder in an S corporation, your share of the corporation's aggregate losses and deductions (combined to the adjusted basis of your corporate stock and any debt the corporation owes you. Any loss or deduction not allowed this year because of the at-risk rules and basis limitations is carried back and deducted in a later year subject to the basis limitation for that year. If you are claiming a deduction for your share of an aggregate loss, attach to your return a computation of the adjusted basis of your corporate stock and of any debt the corporation owes you. See Pub. 589 for details.

After applying the basis limitation, the deductible amount of your aggregate losses and deductions may be further reduced by the at-risk rules and the passive activity loss rules explained on pages 31 and 32, respectively.

**Estates and Trusts.** If you are a beneficiary of an estate or trust, use Part III to report your part of the income (even if not received) or loss. You should receive a Schedule K-1 (Form 1041) from the fiduciary. Do not attach that schedule to your return. Keep it for your records. Your return should show the income or loss and the instructions will tell where on your return to report the items from Schedule K-1.

**Caution: Future regulations will explain how to determine whether you should show amounts reported to you on Schedule K-1 (Form 1041) as amounts from passive activities.**

If you have estimated taxes credited to you from a trust (Schedule K-1, line 12a), write "ES payment claimed" and the amount on the dotted line next to line 39. Enter the amount on line 39. Instead, enter the amount on Form 1040, line 57.

A U.S. person who transferred property to a foreign trust may have to include in income the income received by the trust as a result of the transferred property. If, during 1989, the trust had a U.S. beneficiary. For more information, get Form 3520-A, Annual Return of Foreign Trust With U.S. Beneficiaries.

**Part IV**  
**Income or Loss From REMICs**  
If you are a residual holder of a Real Estate Mortgage Investment Conduit (REMIC), use Part IV to report your total share of the REMIC's taxable income or loss for each quarter included in your tax year. You should receive Schedule O (Form 1066) and instructions from the REMIC for each quarter. Enter the amounts on the lines so your return. Keep them for your records.

REMIC income or loss reported on Schedule E is not income or loss from a passive activity.

**Note: If you are a regular holder of a REMIC, do not use Schedule E to report the income you received. Instead, report it on Form 1040, line 8a.**

If you are a residual holder in more than one REMIC, attach a continuation sheet using the same format as shown in Part IV. Enter the totals of columns (d) and (e) on line 39 of Schedule E. If you have more than one Schedule E, use the same Schedule E on which you entered the combined totals in Part I.

If you are treating REMIC items on your tax return differently from the way the REMIC reported them on its return, you may have to file Form 8082.

**Column (c).** Report the total of the amounts shown on Schedule(s) Q, line 2c, in Part IV, column (c). This is the smallest amount of taxable income you must report on Form 1040, line 37. 1989. If you have taxable income you would show on Form 1040, line 37, is smaller than the total reported in column (c), you must enter the amount from column (c) on Form 1040, line 37. Write "Sch. Q" on the dotted line next to line 37 on Form 1040.

**Summary of Parts I through IV**  
Include any windfall profit tax credit or refund received in 1989 in the total on line 42. You deducted the tax withheld in 1988 or 1989 on line 43. Enter the amount on line 43. If you have a carryover from your 1988 tax return, enter "OWPT" and show the amount.

**Part VI**  
**Reconciliation of Farming and Fishing Income**  
Enter on line 43 your total share of gross farming and fishing income as shown on Form 4635, line 5. Schedule K-1 (Form 1065), line 5. Schedule K-1 (Form 1120S), line 20, and Schedule K-1 (Form 1041), line 12.

You will not be charged a penalty for underpayment of estimated tax if you meet the following tests:

1. Your gross farming or fishing income for 1988 or 1989 is at least two-thirds of your gross income, and
2. You file your 1989 tax return and pay the tax due by March 1, 1990.

**Instructions for Schedule C**  
**Profit or Loss From Business**

**A Change You Should Note**  
**Business Use of Home Telephone.** Beginning in 1989, the base rate (including taxes) of the first telephone line into your residence is a nondeductible personal expense.

**Purpose**  
If you operated a business or practiced a profession as a sole proprietorship, complete Schedule C. If you had more than one business, or if you and your spouse had separate businesses, you must complete a Schedule C for each business. Farmers should use Schedule F.

If you are a partner in a partnership, do not complete the Filers of Form 1041. Do not complete the line labeled "Social security number" because the Social Security number identification number on line D.

**Other Schedules and Forms You May Have To File**  
Schedule A to deduct interest, taxes, and casualty losses not related to your business. Schedule SE to pay social security self-employment tax on income from self-trade or business.

**Form 4797** to report sales, exchanges, and involuntary conversions (other than casualty or theft) of trade or business property.

**Form 8594** to report certain purchases or sales of groups of assets that constitute a trade or business.

**Information Returns.** You may have to file information returns for wages paid to employees, certain payments of fees and commissions, royalties, and other income, rents, royalties, real estate transactions, etc., annuities, and pensions. You may also have to file an information return if you sold \$5,000 or more of consumer products to a person on a buy-sell, deposit-commission, or other similar basis for resale. For more information, get Pub. 937, Business Reporting.

If you received cash of more than \$10,000 in a year from a sale of a cash basis for deducting business expenses owed to a related cash-basis taxpayer. Other rules determine the timing of deductions based on economic performance. Get Pub. 538, Accounting Periods and Methods.

**Line A**  
Describe the business or professional activity that provided your principal source of income reported on line 1. Give the general field or activity and the type of service, product, or activity. If you are in the wholesale or retail trade, or services connected with production or manufacturing, also give the type of customer or client. For example, "wholesale sale of hardware to retailers," or "appraisal of real estate for lending institutions."

**Line B**  
Enter on this line the 4 digit code that identifies your principal business or professional activity. See page 2 of Schedule C for the list of codes.

**Line C**  
Use your home address only if you actually conducted the business from your home. Show a street address instead of a box number.

**Line D**  
You don't need an employer ID number unless you had a Keogh plan or were required to file an employment, excise, fiduciary, or alcohol, tobacco, and firearms tax return.

**Line E**  
Your inventories can be valued at:  
• cost;  
• cost or market value, whichever is lower; or  
• any other method approved by the Commissioner of Internal Revenue.

To change your accounting method (including treatment of inventories), you must usually first get permission from IRS. In general, file Form 3115 within the first 180 days of the tax year in which you want to make the change.

If you use the **cash method**, show all income you receive during the year (in constructively received during the year (in cash, property, or services). Also show amounts actually paid during the year for deductible expenses. Income is constructively received when it is credited to your account or set aside for you to use to pay for an expense.

If you use the **accrual method**, report income when you earn it and deduct expenses when you incur them, even if you don't pay the bill. If you use a cash basis for deducting business expenses owed to a related cash-basis taxpayer. Other rules determine the timing of deductions based on economic performance. Get Pub. 538, Accounting Periods and Methods.

**Line H**  
**Certain Use of Your Home**  
Within certain limits, you may deduct the expenses for the use of part of your home only if that part is exclusively used on a regular basis:

1. as your principal place of business, or
2. as a place of business used by or for your trades or businesses, or
3. in connection with your trade or business if it is a separate structure that is not attached to your home.

You may also deduct expenses that apply to space within your home if it is the **only** fixed location of your trade or business. The space must be used on a regular basis for the storage of inventory, or for the sale of selling products at retail or wholesale nonbusiness purposes.

If you use space in your home on a regular basis in your trade or business of providing day care service, you may be able to deduct the business expenses even though you use the same space for nonbusiness purposes.

**Limits on Deductions.** Certain expenses for the business use of your home are limited to the gross income from the business use of the space. The total of the following deductions is limited to the gross income from the business use of the space:

1. The business part of your deductible mortgage interest, real estate taxes, and casualty losses.
2. Your other business deductions, such as wages and supplies, that are not related to the business use of the home.

The expenses to which the limit applies, and the order in which they must be deducted, are listed below:

- Your expenses for the business use of your home, other than those listed in 1 above; that are related to the use of the home itself. These include maintenance, utilities, and insurance.
- Depreciation.

amount you can not deduct for 1989 but of this limit may be taken into account for 1990. Get Pub. 587 for details. Also get Pub. 936, Limits on Home Mortgage Interest Deduction, to see how much interest you can deduct.





year that overlaps the date of a rate or earnings base change is not prorated.

**More Than One Business.** If you had at least one other business, you had a separate Schedule SE for each business. Do not combine net earnings from all your businesses. If you had a loss in one business, it reduces the income from another. Figure the combined SE tax on one Schedule SE.

**Joint Returns.** Show the name of the spouse with SE income on Schedule SE. If you are a community property state, you file a separate Schedule SE. If one spouse qualifies to use the short SE, the other has to use the long SE. Both can use one Schedule SE. One spouse should complete the front and the other the back.

Include the total profits or losses from all businesses on Form 1040, as appropriate. Then enter the combined SE tax on Form 1040, line 48.

**Community Income.** In most cases, if any community income is a business, including farming, is community income. All of the income from that business is SE earnings of the spouse who carried on the business. The identity of the spouse who carried on the business is determined by the facts in each case. If you and your spouse are partners in a partnership, see **Partnerships**, page 59.

**Partnerships.** If you or your spouse have community income and the separate returns, attach Schedule SE to the return of the spouse with the SE income. Also attach Schedule(s) C and/or Schedule(s) F.

**Caution: Community income included on Schedule(s) C or F must be divided for income tax purposes on the basis of the community property laws.**

## Specific Instructions

Read the top of page 1 of Schedule SE to see if you can use **Section A**, Short Schedule SE, or if you must use **Section B**, Long Schedule SE. If you use Section B, you need to know what to include as net earnings from self-employment. Read the instructions below to see what to include as net earnings and how to fill in lines 1 and 2 of either the short or long SE.

**Name of Self-Employed Person.** Enter the name and social security number of the self-employed person as it appears on that person's social security card.

## Net Earnings From Self-Employment

**What is included in net SE earnings?** In most cases, net earnings include your net profit from a farm or nonfarm business. If you are a partner in a partnership, see the instructions on page 35.

Do not report on lines 1 and 2 any income or expenses that are reported on Schedule SE. If you are a partner, reduce lines 1 and 2 for any deduction for recovery property (section 179), oil or gas depletion, or unremitted partnership expenses. You must attach a statement to explain why you are not including certain items of income or expense.

If you deposited earnings into a capital construction fund set up under the National Merchant Marine Act of 1936, 861 Pub. 595.

- by a foreign government, and
- in certain cases, by a wholly-owned instrumentality of a foreign government or by a bona fide international organization under a treaty with the United States.

**Report income from self-employment on Schedule SE (Section A or B), line 2.** If you are employed by a foreign government or an international organization in a country other than those listed, you are not subject to this tax.

**U.S. Citizens or Resident Aliens Living Outside the United States.** If you are a U.S. citizen or a resident alien who is living outside the United States, in most cases you are subject to SE tax. You may reduce your foreign earnings from self-employment by the deduction for certain foreign housing costs. But you may not reduce your foreign earnings from self-employment by your foreign earned income exclusion.

**Coverage for Overseas Missionaries.** You may figure net earnings from self-employment as if you were in the United States if:

- You are a U.S. citizen, and
- You were a minister (but not a Christian Science practitioner) or a member of a religious order serving outside the United States, and
- You are not exempt from SE tax because you filed Form 4361, Application for Exemption From Self-Employment Tax for Use by Ministers, Members of Religious Orders, and Christian Science Practitioners, Get Pub. 517 for more details.

**Who is Not Subject to Self-Employment Tax?**

**Members of the Clergy and Certain Religious Orders and Sects.** In most cases you are subject to SE tax on net earnings if you get a minister, a member of a religious order, or a Christian Science practitioner. But you will not be subject to the tax on those net earnings if you filed Form 4361, and IRS approved you as exempt from the income subject to SE tax, write "Exempt—Form 4361" on Form 1040, line 48.

**Wages.** If you received wages of \$400 or more subject to SE tax, see line A at the top of the long SE. **Note:** If you have ever filed Form 2031, to elect social security coverage on your earnings as a minister, you cannot change that election now.

If you have conscientious objections to social security insurance because of your belief in the teachings of a recognized religious sect of which you are a member, you may be exempt from SE tax. See IRS Publication 4029, Application for Exemption From Social Security Taxes and Waiver of Benefits, in this case, do not file Schedule SE. Instead, write "Exempt—Form 4029" on Form 1040, line 48. **Note:** Do not file Form 4029 for wages you get from a church or church-controlled organization that has chosen to treat its employees as self-employed.

**General Information**

**Fiscal Year Filers.** If your tax year is a fiscal year, you must use the tax rate and earnings base that apply at the time the fiscal year begins. The tax or earnings base for a fiscal

**Who Must File Schedule SE.** You must file Schedule SE if both a and b below apply to you:

- You were self-employed, and your net earnings from your business were \$400 or more (or you had net wages of \$100 or more as an employee of a church or other organization controlled by a church), AND
- You did not have wages (including tips) from an employer that was subject to Medicare or other tax on wages, of \$48,000 or more that were subject to social security tax or railroad retirement tax.

**When Can I File Schedule SE?** Even if you are not required to file it, and use the "optional method" in Section B, you may file Schedule SE as early as you want. **Note:** Using the optional method may give you the benefits described below, but it will also increase your self-employment tax.

**How can the optional method help you?**

- Social security coverage.** — The optional method may give you credit toward your social security coverage even though you have a loss or low income from self-employment.
- Earned income credit.** — Depending on your circumstances, using the optional method may qualify you to claim the earned income credit or give you a larger credit. This credit reduces your SE tax liability. This credit does not affect the earnings you are using for the optional method. See line 4 of the optional method to see if the optional method will benefit you.

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**Who is Subject to Self-Employment Tax?**

**Self-Employed Persons.** You are subject to SE tax if you had net earnings from being self-employed. If you are in business for yourself, or you are a farmer, for example, you are self-employed.

You share in certain partnership income and losses if you are a partner in a partnership. Read the instructions for Partnerships on page 39.

**Employees of Churches and Church Organizations.** If you were an employee of a church or qualified church-controlled organization that has in effect a certificate electing exemption from employer social security taxes, you may be subject to SE tax on your wages. This applies if the wages were paid as an employee of an electing church or qualified church-controlled organization. See line B at the top of the long SE. If you also have Medicare qualified government wages, you must use the worksheet on page 39.

**U.S. Citizens Employed by Foreign Governments or International Organizations.** You are subject to SE tax if you are a U.S. citizen employed:

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**Page 38**

business, check Box 31a and enter your net earnings from the business on line 28. **Note:** To determine the amount of your allowable loss to enter on line 30.

If you checked Box 31b, get Form 6198 to determine the amount of your deductible loss and enter that amount on line 30. But if you answered "No" to Question 1, your loss may be further limited. See Form 5852, If you are a partner in a partnership, or other tax on wages, of \$48,000 or more that were subject to social security tax or railroad retirement tax.

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**Page 38**

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**Page 38**

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**Page 38**

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**Page 38**

Use Form 4684 to report a casualty or theft involving farm business property, including livestock, equipment, draft, breeding, sport, or dairy purposes.

See Pub. 225 for more information on how to report various farm losses, such as losses due to death of livestock or damage to crops or other farm property.

#### Filing Information Returns

You may have to file information returns for wages paid to employees, certain payments for health insurance, certain optional or supplemental payments, annuities, annuities, interest, royalties, and other payments. You must also file an information return if you sold \$5,000 or more of consumer products to a person on a buy-sell, deposit-commission, or other similar basis for resale. For more information, get Pub. 937, Business Reporting.

In addition, if you received cash of more than \$10,000 in one or more related transactions, you may have to file Form 8300.

#### Lines A and B

On line A, enter your principal crop or activity for the current year.

On line B, enter one of the 15 major agricultural activity codes listed in Part IV on page 2 of Schedule F. The code you select should represent the major largest amount of your income. Field crop pertains to the production of grains, such as wheat, rice, feed corn, soybeans, barley, rye, and lentils, and nongrains such as cotton, tobacco, sugar, and fish products. Animal specialty includes the raising of pets or laboratory animals, such as dogs, cats, bees, and snakes.

#### Line C

Under the cash method, include all income in the year you actually get it. Generally, deduct expenses when you pay them. If you use the cash method, check the box labeled "Cash." Complete Parts I and II of Schedule F.

Under the accrual method, include income when you receive it, regardless of whether you get it. Deduct expenses when you incur them. If you use the accrual method, check the box labeled "Accrual." Complete Parts II, III, and line 11 of Schedule F.

Other rules apply that determine the timing of deductions based on economic performance. Get Pub. 538, Accounting Periods and Methods, for details.

Farming syndicates cannot use the cash method of accounting. A farming syndicate may be a partnership, any other noncorporate group, or an S corporation. If a, the interests in the business have ever been sold, or b, the syndicate requires registration with any Federal or state agency, or

c, more than 35% of the loss during any tax year is spread between limited partners or limited entrepreneurs (A limited partner is one who can lose only the amount invested in the partnership; a limited entrepreneur is a person who does not take any active part in managing the business.)

## Instructions for Schedule F

### Farm Income and Expenses

#### Changes You Should Note

Beginning in 1989, the base rate (including taxes) of the first telephone line into your residence is a nondeductible personal expense.

Beginning in 1989, expenses incurred to file an information return if you sold \$5,000 or more of consumer products to a person on a buy-sell, deposit-commission, or other similar basis for resale, are deductible. These expenses, or used the simplified method of capitalizing the cost of raising certain cattle, you may revoke that election. See the instructions for line G.

#### Purpose

Use Schedule F to report farm income and expenses. File it with Forms 1040, 1041, or 1065.

**Additional Information.** Pub. 225, Farmer's Tax Guide, has samples of filled-in Schedule F forms. It also contains information about payments under the Disaster Assistance Acts of 1988 and 1989.

**Filers of Forms 1041 and 1065.** Do not complete the box labeled "Social security number (SSN)." Instead, enter your Employer identification number on line D.

If you had to make estimated tax payments in 1989 and you underpaid your estimated tax, you will not be charged a penalty if

1. your gross farming or fishing income for 1988 or 1989 is at least two-thirds of your gross income, AND
2. you file your 1989 tax return and pay the tax due by March 1, 1990.

For more details, see Pub. 225.

Do not report the following income on Schedule F:

- Rent based on farm production or crop shares if you did not materially participate in the activity (for self-employment tax purposes, the activity is a rental activity for purposes of the passive activity loss and credit limitations. Report this income on Form 4835 and Schedule E (Form 1040). It is not subject to self-employment tax. See Pub. 225.
- Rent from pasture land that is based on a flat charge. Report this income in Part I of Schedule F. But report on line 10 of Schedule F pasture income received from taking care of someone else's livestock.
- Sales, exchanges, or involuntary conversions (other than casualty or thefts) of certain property. Report this income on Form 4797.
- Sales of livestock held for draft, breeding, sport, or dairy purposes. Report this income on Form 4797.

You may change the method after you file your return. For example, you can change from the optional to the regular method, or from the optional to the regular method.

For a farm partnership, figure your share of gross income based on the partnership agreement. With guaranteed payments, your share of the partnership's gross income is your guaranteed payment plus your share of the gross income after it is reduced by all guaranteed payments of the partnership. If you are a limited partner, include only guaranteed payments.

**Optional Method for NONFARM Income.** Were your net nonfarm profits less than \$1,600 and also less than two-thirds of your gross nonfarm income? If yes, you may elect the optional method. It may be self-employed or regularly a partner. You must meet this requirement if you had actual net earnings from self-employment of \$400 or more in at least 2 of the 3 years just before the year for which you use this nonfarm method. The net earnings of \$400 or more could be from either farm or nonfarm income. Your distributive share of the income or loss from any of your partnerships.

You may report two-thirds of your gross nonfarm income, up to \$1,600 as your net earnings, but you may not report less than your actual net earnings from nonfarm self-employment.

For a nonfarm partnership, see **Optional Method for Farm Income** on page 39 for details on how to figure your share of gross income.

The limit for the optional method for nonfarm self-employment is five years. The five years do not have to be one after another.

**Using Both Optional Methods.** Did you have both nonfarm and farm income? If you did, you may use the nonfarm optional method if

- a. your actual net earnings from nonfarm self-employment were less than \$1,600, and
- b. your net nonfarm profits were less than two-thirds of your gross nonfarm income.

If you can use both methods, you may report less than your total actual net earnings from farm and nonfarm income, but you cannot report less than your actual net earnings from nonfarm self-employment. If you use both methods to figure net earnings, you cannot report more than \$1,600 of net SE earnings.

#### Line 11

Enter the smaller of:

- Two-thirds (2/3) of the total gross income from all Schedules F, line 11, and Schedules K-1 (Form 1065), line 14b, or
- \$1,600.

#### Line 13

Enter the smallest of:

- \$1,600, or
- Two-thirds (2/3) of the total gross income from all Schedules C, line 7, plus your distributive share of gross income from all nonfarm partnerships, Schedules K-1 (Form 1065), line 14c, or
- The amount on line 12 if you also had farm income and elect the farm optional method.

Page 40

other property that would be includable in inventory, or held primarily for sale to customers in the ordinary course of the business; or

- Certain transactions in timber, coal, or domestic iron ore.

**Medicare Qualified Government Employment.** Net operating losses from other years.

**Section B, Long Schedule SE, Line 6b.** Medicare qualified government wages are wages you get as a Federal, state, or local government employee that are subject ONLY to the 1.45% Medicare tax. If you have wages from a government employer as Social Security income on Schedule SE, line 5a, instead, include them on Schedule SE, line 6b. Wages you enter on line 5a are subject to the old age, survivors, and disability insurance tax as well as the 1.45% Medicare tax.

**Note:** Also see the instructions for Form 1040, line 62, to see if you should file Form 4469, Computation of Excess Social Security Tax.

**Figure Tax SE tax.** Using the rate on line 8 of Section B, you do not have to use the worksheet below. Do not reduce the rate by the Medicare tax rate. But you must use the worksheet to figure your SE tax and skip lines 7 and 8 of Section B if

- a. you had Medicare qualified government wages as explained above; and
- b. the total of the amounts on lines 3a, 3b, 5a, 5b, and 6c of Schedule SE is more than \$45,000.

**Worksheet—(Keep for your records)**

1. Enter total of lines 3a, 3b, and 1. \_\_\_\_\_
2. Enter line 5a from \_\_\_\_\_ Schedule SE \_\_\_\_\_
3. Enter line 5b from \_\_\_\_\_ Schedule SE \_\_\_\_\_

Medicare qualified government wages from line 6b of Schedule SE. If line 6a is zero, stop here. Do not enter SE tax.

4. Subtract line 3 from line 2. (If zero or less, enter -0-.) \_\_\_\_\_
5. Multiply the smaller of line 1 or 4 by 10.51. \_\_\_\_\_
6. Enter the smaller of line 1 or 5. \_\_\_\_\_
7. Add lines 5 and 6. Enter the total on Form 1040, line 48. \_\_\_\_\_

**Optional Methods.** Was your gross farm income for the year \$2,400 or less? If yes, you can report two-thirds of your gross farm income instead of your actual net earnings from farming on line 3a of Part I and line 11 of Part II.

If your gross farm income was more than \$2,400, and your net farm profits were less than \$1,600, you can report \$1,600 on line 3a of Part I and line 11 of Part II. It can increase or decrease your net SE farm earnings, even if the farming business resulted in a loss.

There is no limit on how many times you can use this method. If you use this method, you must apply it to all farm earnings from self-employment for the year.

#### Optional Method for FARM Income

Was your gross farm income for the year \$2,400 or less? If yes, you can report two-thirds of your gross farm income instead of your actual net earnings from farming on line 3a of Part I and line 11 of Part II.

If your gross farm income was more than \$2,400, and your net farm profits were less than \$1,600, you can report \$1,600 on line 3a of Part I and line 11 of Part II. It can increase or decrease your net SE farm earnings, even if the farming business resulted in a loss.

There is no limit on how many times you can use this method. If you use this method, you must apply it to all farm earnings from self-employment for the year.

Page 39

- Income as a crew member of a fishing vessel with a crew of normally less than 10 people. Get Pub. 595.
- Fees as a state or local government employee if you were paid only on a fee basis and the job was not covered under a Federal State social security coverage agreement.

**Interest received in the course of any trade or business, such as interest on notes or accounts receivable.**

- The rental value of a home or an allowance for a home furnished to you as a minister or a member of a religious order. Get Pub. 517.
- The value of meals and lodging given to you for the convenience of your employer if you are a minister or member of a religious order. Get Pub. 17.
- Fees and other payments received by you as a director of a corporation for services as a director.

**Note:** Director's earnings are treated as self-employment income if the services are performed, regardless of when paid, for SE tax purposes.

**Recapture amounts under sections 179 and 280F that you included in gross income because the business use of the property dropped to 50% or less.** Do not include amounts you recaptured on the disposal of property. See Form 4797, Sales of Business Property.

• Fiduciaries' fees you received as a professional fiduciary. This may also apply to the fees you received as a professional fiduciary in the operation of the estate's business, or the management of an estate that required extensive management activities over a long period of time.

Option and commodity dealers engaged in trading section 1256 contracts, see section 1402(i) to figure net SE earnings.

**Income Not Included in Net Earnings From Self-Employment.**

- Salaries, fees, etc., subject to social security tax that you received for performing services as an employee, including services performed as a public official (except as a fee basis government officer).

**Income Included in Net Earnings From Self-Employment.** or as an employee or employee representative under the railroad retirement system.

- Income you received as a retired partner under a written partnership plan that provides for lifelong periodic retirement payments, if you had no other interest in the partnership and did not perform services for the partnership during the year.

During the year, if you received estate rentals (including your share of partnership rentals) from a business as a real estate dealer. This business is a real estate dealer. This includes cash and crop shares received from a tenant or shareholder. You should report this income on Schedule E, Part I.

Dividends on shares of stock and interest on bonds, notes, etc., if you did not get the income in the course of your trade or business as a dealer in stocks or securities.

Gain or loss from:

- a. the sale or exchange of a capital asset,
- b. the sale, exchange, involuntary conversion, or theft of stock or property unless the property is stock-in-trade or

the profits

• Payments for space in parking lots, trailer enclosures, or storage garages.

• Residuals of newspapers and magazines if you were 18 or older and kept the profits.

If you are a duly ordained minister who is an employee of a church and you are subject to SE tax, the unreimbursed business expenses that you incurred as a church employee are allowed only as an adjustment to gross income for SE tax purposes. They are deducted from your SE earnings in figuring SE tax. However, special rules apply. Get Pub. 517.

#### Partnerships

If you are a general partner, include in your total net earnings your share of partnership income or loss from the trade or business. Also include any guaranteed payments to you from the partnership. If you are a limited partner, include only guaranteed payments. Line 12a of Schedule SE (Form 1065) should show net earnings for either general or limited partners.

If your partnership is engaged solely in the operation of a group investment program, earnings from the operation are not SE earnings for either the general or limited partner.

If you are married and both you and your spouse are partners in a partnership, each partner is subject to SE tax on your own share of partnership income or loss. If you are a general partner, include in your net earnings your share of partnership income or loss on Schedule E (Form 1040), Part II, for income tax purposes.

SE income belongs to the person who is the member of the partnership and cannot be treated as SE income by the nonmember spouse. This applies even in community property states.

def a partner in an ongoing partnership, you are considered self-employed if you produced crops or livestock on someone else's land for a share of the crops or livestock produced (or the proceeds from them). This is true even if you had another person ("agent") doing the actual work or management for you. Report your net earnings on line 1040 of SE tax Schedule F (Form 1040).

**Share Farming.** If you are considered self-employed if you produced crops or livestock on someone else's land for a share of the crops or livestock produced (or the proceeds from them). This is true even if you had another person ("agent") doing the actual work or management for you. Report your net earnings on line 1040 of SE tax Schedule F (Form 1040).

**Other Income Included in Net Earnings From Self-Employment.**

- Rental income from a farm, if as landlord, you participated materially in the production or management of the land.

This income is farm earnings. (To determine whether you participated materially in farm management or production, do not consider the activities of any agent who acted for you.) See the instructions for line 11 of Schedule F (Form 1040) for details.

Get Pub. 225, Farmer's Tax Guide.

**Earnings From Self-Employment.**

- Rental income from a farm, if as landlord, you participated materially in the production or management of the land.

This income is farm earnings. (To determine whether you participated materially in farm management or production, do not consider the activities of any agent who acted for you.) See the instructions for line 11 of Schedule F (Form 1040) for details.

Get Pub. 225, Farmer's Tax Guide.

**Earnings From Self-Employment.**

- Rental income from a farm, if as landlord, you participated materially in the production or management of the land.

This income is farm earnings. (To determine whether you participated materially in farm management or production, do not consider the activities of any agent who acted for you.) See the instructions for line 11 of Schedule F (Form 1040) for details.

Get Pub. 225, Farmer's Tax Guide.



**2.** Amounts protected against loss by a guarantee, stop-loss agreement, or similar arrangement, or

**3.** Loans from someone who has an interest in the activity, or from a partnership in which the person (other than yourself) having such an interest, or

**4.** Amounts contributed to the activity, or to your interest in the activity that are covered by

- nonrecourse loans or protected against loss by a guarantee, stop-loss agreement, or similar arrangement, or
- loans from a person described in 3 above

If you do not have any of these kinds of amounts for which you are not at risk in this business, check **Box 37a** and enter your loss on line 36. If you are not at risk in this business, check **Box 37b** and enter your loss on line 36. If you are not at risk in this business, check **Box 37c** and enter your loss on line 36. If you are not at risk in this business, check **Box 37d** and enter your loss on line 36.

If you checked **Box 37b**, get Form 6198 to determine the amount of your deductible loss and enter that amount on line 36. But if you answered "No" to Question F, your loss may be further limited. See Form 6198. If your at-risk amount is zero or less, enter zero on line 36. Be sure to attach Form 6198 to your return. If you checked **Box 37c** or **Box 37d**, and your loss is not at risk in this business, your loss may be delayed.

If, in addition to the amount that you report on Schedule F, you sell or otherwise dispose of an asset used in an activity to which the at-risk rules apply and you have amounts in the activity for which you are not at risk, see the instructions for Form 6198.

Any loss from this activity not allowed for 1989 because of the at-risk rules is treated as a deduction allocable to the activity in 1990. For more details, get Pub. 925, *Passive Activity and At-Risk Rules*. Also see the instructions for Form 6198.

### Part III Farm Income—Accrual Method

If you use the accrual method, report farm income when you earn it, not when you receive it. Generally, you must inventory your animals and crops if you use this method. Get Pub. 538, *Accounting Periods and Methods*, for exceptions, inventory methods, how to change methods of accounting, and for rules that require certain costs to be capitalized or included in inventory.

### Line 38

Enter the amount you got from the sales of livestock, produce, grains, and other products you raised.

### Lines 39a through 44

See instructions for Part I, lines 5a–7c, and 10.

**Note:** If you use certain highway trucks, truck trailers, tractor trailers, or buses in your business, you may be eligible for a special depreciation allowance. See Form 2290, *Heavy Vehicle Use Tax Return*, to see if you owe this tax.

**Preproductive Period Expenses.** Enter in parentheses on line 34e, preproductive period expenses that are capitalized. If you had preproductive period expenses in 1989 and you checked the "No" box on line G of Schedule F, because you decided to capitalize these expenses, you MUST enter the amount of these expenses on line 34e and write "263A" in the space to the left of the total.

You should not have a "263A" entry on line 34e if any of the following applies:

- You checked the "No" box on line G, but did not have any preproductive period expenses in 1989.
- You made the election on line G to currently deduct your preproductive period expenses (you checked the "Yes" box), or
- You checked the "Does Not Apply" box on line G.

If you entered an amount in parentheses on line 34e because you have preproductive period expenses you are capitalizing, subtract the amount on line 34e from the total of lines 12 through 34d. Enter the result on line 35.

For more information, see the instructions for line G and Pub. 225.

### Line 36

If you have a loss, the amount of loss you can deduct this year may be limited. Go on to lines 37a and 37b before entering your loss on line 36. If you answered "No" to Question F on Schedule F, also see Form 6198. If you answered "Yes" to Question F, go on to Form 1040, line 13, and Schedule SE, line 1 (or Form 1041, line 5). Partnerships should stop here and enter the profit or loss on this line and on Form 1065, line 5.

### Lines 37a and 37b

**At-Risk Rules**  
Deductions for losses by persons who are engaged in a trade or business or an activity for the production of income, including the holding of real property, are limited to the amount they have at risk in the business.

If (1) you have a loss from any farming activity that you engaged in as a trade or business and for the production of income, and (2) you have amounts for which you are not at risk in the activity, use Form 6198, *At-Risk Limitations*, to determine the allowable loss.

Check **Box 37b** if you have amounts for which you are not at risk for this farm, such as the following:

1. Nonrecourse loans used to finance the activity, to acquire property used in the activity, or to acquire your interest in the activity, unless they are secured by property not used in the activity or by certain real property, or

- State and local sales taxes (treat them as part of the cost of the property)
- Other taxes not related to the farm business

### Line 32

Enter what you paid for gas, electricity, water, etc., for business use on the farm. Do not include personal utilities.

Beginning in 1989, if you use your home for business, you cannot deduct the base rate (including taxes) of the first telephone line into your residence. It is a nondeductible personal expense.

### Lines 34a through 34e

Enter expenses not listed on another line, such as:

- Office supplies
- Advertising
- Any loss from this activity that was not allowed as a deduction last year because of the at-risk rules. This is treated as a deduction allocable to this activity in 1989.

- Amortization of qualifying forestation and reforestation costs over an 84-month period
- Amortization of certain business startup costs over a period of at least 60 months

Use Form 4562 to figure your amortization deduction. Include on line 34 of Schedule F the amount of the deduction from Form 4562, Part II. For more information on amortization, get Pub. 535.

Bad debts include debts and partial payments that are definitely known to be worthless. **Caution:** Cash method taxpayers cannot take a bad debt deduction unless the amount was previously included in income.

If you later collect a debt that you deducted as a bad debt, include it as income in the year you collect it.

**Note:** If you used the reserve method prior to 1987 to figure your bad debts, any balance you kept in the reserve account at the end of 1986 must be included in your income for 1987.

For more details, see Pub. 535.

- Car and truck expenses. You can deduct the cost of your car or truck, or take the standard mileage rate.

**Note:** If you claim any car or truck expenses (actual costs or the standard mileage rate), you must complete Part III of Form 4562.

The standard rate is 25½ cents a mile up to 15,000 miles for 1989, and 11 cents a mile for each mile after that. If you use more than one vehicle for business, you must use the actual cost. If you use the vehicle for both personal and farm purposes, allocate the miles (or costs) that apply to farming.

For vehicles that have been fully depreciated, the rate is 11 cents a mile.

If you use the standard rate, the vehicle is considered to have a useful life of 60,000 miles of business use at the maximum standard mileage rate.

For details, get Pub. 917, *Business Use of a Car*.

Page 44

statement to your return explaining the difference and write "See attached" in the left margin next to line 23a.

If you and at least one other person (other than your spouse) own the property, each of you is liable for and paid interest on the mortgage and the other person received the Form 1098, report the interest on line 23b. Attach a statement to your return showing the name and address of the person who received the Form 1098. In the left margin, next to line 23b, write "See attached."

On line 23b, enter the interest on other loans related to this farm. Do not deduct interest you prepaid in 1989 for years after 1989. Include only the part that applies to 1989.

### Line 24

Enter amounts you paid for farm labor less the amount of any jobs credit you claimed on Form 5884, Get Pub. 572, *General Business Credit*, for information on the jobs credit.

Count the cost of boarding farm labor but not the cost of any products or services you furnished to the farm. Do not include what you paid household help to care for your own or your family's labor.

**Caution:** If you provided taxable fringe benefits to your employees, such as personal use of a car, do not include in farm labor the amounts you depreciated or deducted elsewhere.

### Line 25

Enter what you paid to pension, profit-sharing, or annuity plans for your employees. If the plan included you as an owner-employee, see the instructions for Schedule C, line 20. Enter the amount you paid for yourself on Form 1040, line 27.

### Lines 26a and 26b

Enter on line 26a what you paid to rent or lease machinery and equipment. Enter on line 26b amounts paid to rent or lease other items, such as pasture or farm land.

### Line 27

Enter what you paid for repairs and upkeep of farm buildings and equipment. Do not include what you paid for tools of short life or small cost, such as shovels and rakes.

Do not deduct repairs or upkeep on your home.

### Line 31

You may deduct the following taxes:

- Real estate and personal property taxes on farm business assets
- Social security taxes you paid to match what you are required to withhold from farm employees' wages and any Federal unemployment tax paid
- Federal highway use tax.

**Do not deduct:**

- Federal income taxes.
- Estate and gift taxes.
- Taxes assessed for improvements, such as paving and sewers.
- Taxes on your home or personal property

Page 43

**Line 17**  
Enter any amounts you paid to programs for your employees that are not a part of the plans on line 25. Examples are insurance health, and welfare programs. Do not include here amounts paid for yourself or your family.

**Line 18**  
Generally, you cannot currently deduct expenses for feed to be consumed by your livestock in a later tax year. See *Prepaid Farming Expenses*, earlier.

**Line 20**  
Do not include as freight paid the cost of transportation incurred in purchasing livestock held for resale. Instead, add these costs to the cost of the livestock, and deduct them when the livestock are sold.

**Line 22**  
Enter only the amount of premiums for fire, theft, and other insurance on your farm business assets. Do not include insurance on personal assets, or medical, health, or disability insurance on yourself or your family.

**Note:** You may be able to deduct part of the amount paid for health insurance for you and your family even if you don't itemize your deductions. See the instructions for Form 1040, line 26.

### Lines 23a and 23b

**Interest Allocation Rules.** The tax treatment of interest depends on the type of property. For example, personal interest, home mortgage interest, and investment interest are all treated differently. "Interest allocation" rules require you to allocate (classify) your interest expense so it is deducted on the right place of your return and gets the right tax treatment. These rules could affect how much interest you deduct on Schedule F.

Generally, you allocate interest expense by the type of property. The rules are used. Get Pub. 535, *Business Expenses*, and Pub. 545, *Interest Expense*, for details.

If you paid interest on a debt secured by your main home, and any of the proceeds from that debt were used in your farming business, see Pub. 545 to figure the amount that is deductible on Schedule F.

If you have a mortgage on your real property used in your farming business (other than your main home), enter on line 23a the interest you paid for 1989 to banks or other financial institutions.

**Note:** If the recipient was not a financial institution, you must complete Form 1098, *Mortgage Interest Statement*, from the recipient, report your mortgage interest on line 23b.

If you paid \$600 or more of interest on this mortgage, you should receive Form 1098 or similar statement. It shows the total interest received from you during 1989. You should receive this statement by January 31, 1990. If you paid more than \$600 of interest on this mortgage, you must attach this statement to your return.

Attach a copy of the original Form 1098 to your return. If you have a similar statement, see Pub. 545 to see if you can deduct the additional interest. If you can, enter the amount on line 23a. Attach a

the area in which your land is located. If no plan exists, the expenses must be consistent with a plan of a comparable state agricultural operation. See the instructions for the Water Conservation Plan Certification to your return if you claim this deduction.

Do not deduct expenses you pay or incur to drain or fill wetlands or to prepare land for center pivot irrigation systems.

Do not deduct more than 25% of your gross income from farming (excluding certain gains from selling assets such as farm machinery and land). If your conservation expenses are more than the limit, carry the excess over to following years. Attach a copy of the original Form 4562 to your return for each carryover year you claim the deduction.

### Line 15

Enter amounts paid for custom hire or machine work (the machine operator furnished the equipment). Do not include amounts paid for rental or lease of equipment that you operated yourself except those amounts on line 26a.

### Line 16

You can deduct depreciation of buildings, improvements, cars and trucks, machinery, and other farm equipment of a permanent nature.

Do not deduct depreciation on your home, furniture, or other personal items, and livestock you bought or raised for resale or other property in your inventory.

You may also choose under section 179 to expense a portion of the cost of certain depreciable property you bought in 1989 for depreciation deduction. See the instructions for section 179 expense deduction, on Form 4562, *Depreciation and Amortization*. Enter on line 16 of Schedule F the amount from Form 4562, Part I.

The depreciation deduction for cars, including any section 179 deduction, is limited. For example, if you used your car 100% for business and placed the car in service in 1989, your deduction is limited to \$2,000. If you used the car less than 100% for business, the deduction is limited to 100% of the car's cost. If you used the car for both business and personal purposes, you may not take a section 179 deduction if the property is used 50% or less in your trade or business. If you claim depreciation for any listed property, you must complete Part III of Form 4562. See the instructions for Form 4562 and Pub. 534, *Depreciation*, for details.

If you have listed property (such as a car or light truck) that you placed in service after 1986, you must complete Form 4562, *Depreciation and Amortization*, and the business use percentage of the property decreased to 50% or less during 1989, you may have to recapture excess depreciation. Get Form 4797 and its instructions for details.

If you took an investment credit on property that you disposed of before the end of its class life or life years, or the business use percentage decreases, or the property is sold at a loss, you may have to recapture the credit. Get Form 4255, *Recapture of Investment Credit*, for details.





1989 Tax Table—Continued

[illegible]

\* This column must also be used by a qualifying widow(er)

Page 48

1989 Tax Table—Continued

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Page 47

## 1989 Tax Table—Continued

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# 1989 Tax Rate Schedules

**Caution.** Use ONLY if your taxable income (Form 1040, line 37) is \$50,000 or more. If less, use the Tax Table.

Schedule X — Use if your filing status is Single			Schedule Z — Use if your filing status is Head of household		
If the amount on Form 1040, line 37 is	Enter on line 38	of the amount over—	If the amount on Form 1040, line 37 is	Enter on line 38	of the amount over—
Over—	But not over—		Over—	But not over—	
\$0	\$18,550	15%	\$0	\$24,850	15%
18,550	44,900	\$2,782.50 + 28%	24,850	64,200	\$3,727.50 + 28%
44,900	93,130	10,160.50 + 33%	64,200	128,810	14,745.50 + 33%
93,130		Use Worksheet below to figure your tax	128,810		Use Worksheet below to figure your tax

Schedule Y-1 — Use if your filing status is Married filing jointly or Qualifying widow(er)			Schedule Y-2 — Use if your filing status is Married filing separately		
If the amount on Form 1040, line 37 is	Enter on line 38	of the amount over—	If the amount on Form 1040, line 37 is	Enter on line 38	of the amount over—
Over—	But not over—		Over—	But not over—	
\$0	\$30,950	15%	\$0	\$15,475	15%
30,950	74,850	\$4,642.50 + 28%	15,475	37,425	\$2,321.25 + 28%
74,850	155,320	16,934.50 + 33%	37,425	117,895	8,467.25 + 33%
155,320		Use Worksheet below to figure your tax	117,895		Use Worksheet below to figure your tax

Worksheet (Keep for your records)		
1	If your filing status is: Single, enter \$26,076.40	1.
2	Head of household, enter \$36,066.80	2.
3	Married filing jointly or Qualifying widow(er), enter \$43,489.60	3.
4	Married filing separately, enter \$35,022.35	4.
5	Single, enter \$93,130	5.
6	Head of household, enter \$128,810	6.
7	Married filing jointly or Qualifying widow(er), enter \$155,320	7.
8	Married filing separately, enter \$117,895	8.
9	Subtract line 3 from line 2. Enter the result (If the result is zero or less, use the schedule above for your filing status to figure your tax. DO NOT use this worksheet.)	9.
10	Multiply the amount on line 4 by 28% (28). Enter the result	10.
11	Multiply the amount on line 4 by 5% (5). Enter the result	11.
12	Multiply \$560 by the number of exemptions claimed on Form 1040, line 6e (If married filing separately, see the Note below.) Enter the result	12.
13	Compare the amounts on lines 6 and 7. Enter the smaller of the two amounts here	13.
14	Tax. Add lines 1, 5, and 8. Enter the total here and on Form 1040, line 38	14.

Page 51

## 1989 Earned Income Credit Table

**Caution.** This is Not A Tax Table.

To find your earned income credit: appropriate amount from the Earned Income Credit Worksheet on page 20. Read down the column titled "If line 3 or 4 of the worksheet is —" and find the amount across to the right and find the amount of the worksheet which ever applies.

If line 3 or 4 of the worksheet is —			Your credit is —			If line 3 or 4 of the worksheet is —			Your credit is —			If line 3 or 4 of the worksheet is —			Your credit is —			Year ended
At least	But less than	Your credit is —	At least	But less than	Your credit is —	At least	But less than	Your credit is —	At least	But less than	Your credit is —	At least	But less than	Your credit is —	At least	But less than	Your credit is —	
\$1	\$25	\$1,600	\$1,625	\$256	\$3,200	\$3,225	\$450	\$4,800	\$4,825	\$574	\$6,400	\$6,425	\$898	\$900	\$925	\$1,000	\$1,025	\$1,100
25	50	1,625	1,650	229	3,225	3,250	453	4,825	4,850	501	6,425	6,450	901	903	927	1,003	1,027	1,103
50	75	1,650	1,675	231	3,250	3,275	457	4,850	4,875	505	6,450	6,475	905	907	929	1,007	1,031	1,107
75	100	1,675	1,700	236	3,275	3,300	460	4,875	4,900	508	6,475	6,500	908	910	932	1,010	1,034	1,110
100	125	1,700	1,725	240	3,300	3,325	464	4,900	4,925	512	6,500	6,525	912	914	936	1,014	1,038	1,114
125	150	1,725	1,750	243	3,325	3,350	467	4,925	4,950	515	6,525	6,550	915	917	939	1,017	1,041	1,117
150	175	1,750	1,775	246	3,350	3,375	470	4,950	4,975	518	6,550	6,575	918	920	942	1,020	1,044	1,120
175	200	1,775	1,800	250	3,375	3,400	474	4,975	5,000	522	6,575	6,600	922	924	946	1,024	1,048	1,124
200	225	1,800	1,825	254	3,400	3,425	478	5,000	5,025	526	6,600	6,625	926	928	950	1,028	1,052	1,128
225	250	1,825	1,850	257	3,425	3,450	481	5,025	5,050	529	6,625	6,650	929	931	953	1,031	1,055	1,131
250	275	1,850	1,875	261	3,450	3,475	485	5,050	5,075	533	6,650	6,675	933	935	957	1,035	1,059	1,135
275	300	1,875	1,900	264	3,475	3,500	488	5,075	5,100	536	6,675	6,700	936	938	960	1,038	1,062	1,138
300	325	1,900	1,925	268	3,500	3,525	492	5,100	5,125	540	6,700	6,725	940	942	964	1,042	1,066	1,142
325	350	1,925	1,950	271	3,525	3,550	495	5,125	5,150	543	6,725	6,750	943	945	967	1,045	1,069	1,145
350	375	1,950	1,975	275	3,550	3,575	499	5,150	5,175	547	6,750	6,775	947	949	971	1,049	1,073	1,149
375	400	1,975	2,000	278	3,575	3,600	502	5,175	5,200	550	6,775	6,800	950	952	974	1,052	1,076	1,152
400	425	2,000	2,025	281	3,600	3,625	506	5,200	5,225	554	6,800	6,825	954	956	978	1,056	1,080	1,156
425	450	2,025	2,050	285	3,625	3,650	509	5,225	5,250	558	6,825	6,850	958	960	982	1,060	1,084	1,160
450	475	2,050	2,075	289	3,650	3,675	513	5,250	5,275	562	6,850	6,875	962	964	986	1,064	1,088	1,164
475	500	2,075	2,100	292	3,675	3,700	516	5,275	5,300	566	6,875	6,900	966	968	990	1,068	1,092	1,168
500	525	2,100	2,125	296	3,700	3,725	520	5,300	5,325	570	6,900	6,925	970	972	994	1,072	1,096	1,172
525	550	2,125	2,150	299	3,725	3,750	523	5,325	5,350	574	6,925	6,950	974	976	998	1,076	1,100	1,176
550	575	2,150	2,175	303	3,750	3,775	527	5,350	5,375	578	6,950	6,975	978	980	1,002	1,080	1,104	1,180
575	600	2,175	2,200	306	3,775	3,800	530	5,375	5,400	582	6,975	7,000	982	984	1,006	1,084	1,108	1,184
600	625	2,200	2,225	310	3,800	3,825	534	5,400	5,425	586	7,000	7,025	986	988	1,010	1,088	1,112	1,188
625	650	2,225	2,250	313	3,825	3,850	537	5,425	5,450	590	7,025	7,050	990	992	1,014	1,092	1,116	1,192
650	675	2,250	2,275	317	3,850	3,875	541	5,450	5,475	594	7,050	7,075	994	996	1,018	1,096	1,120	1,196
675	700	2,275	2,300	320	3,875	3,900	544	5,475	5,500	598	7,075	7,100	998	1,000	1,022	1,100	1,124	1,200
700	725	2,300	2,325	324	3,900	3,925	548	5,500	5,525	602	7,100	7,125	1,002	1,004	1,026	1,104	1,128	1,204
725	750	2,325	2,350	327	3,925	3,950	551	5,525	5,550	606	7,125	7,150	1,006	1,008	1,030	1,108	1,132	1,208
750	775	2,350	2,375	331	3,950	3,975	555	5,550	5,575	610	7,150	7,175	1,010	1,012	1,034	1,112	1,136	1,212
775	800	2,375	2,400	334	3,975	4,000	558	5,575	5,600	614	7,175	7,200	1,014	1,016	1,038	1,116	1,140	1,216
800	825	2,400	2,425	338	4,000	4,025	562	5,600	5,625	618	7,200	7,225	1,018	1,020	1,042	1,120	1,144	1,220
825	850	2,425	2,450	341	4,025	4,050	566	5,625	5,650	622	7,225	7,250	1,022	1,024	1,046	1,124	1,148	1,224
850	875	2,450	2,475	345	4,050	4,075	570	5,650	5,675	626	7,250	7,275	1,026	1,028	1,050	1,128	1,152	1,228
875	900	2,475	2,500	348	4,075	4,100	574	5,675	5,700	630	7,275	7,300	1,030	1,032	1,054	1,132	1,156	1,232
900	925	2,500	2,525	352	4,100	4,125	578	5,700	5,725	634	7,300	7,325	1,034	1,036	1,058	1,136	1,160	1,236
925	950	2,525	2,550	355	4,125	4,150	582	5,725	5,750	638	7,325	7,350	1,038	1,040	1,062	1,140	1,164	1,240
950	975	2,550	2,575	359	4,150	4,175	586	5,750	5,775	642	7,350	7,375	1,042	1,044	1,066	1,144	1,168	1,244
975	1,000	2,575	2,600	362	4,175	4,200	590	5,775	5,800	646	7,375	7,400	1,046	1,048	1,070	1,148	1,172	1,248
1,000	1,025	2,600	2,625	366	4,200	4,225	594	5,800	5,825	650	7,400	7,425	1,050	1,052	1,074	1,152	1,176	1,252
1,025	1,050	2,625	2,650	370	4,225	4,250	598	5,825	5,850	654	7,425	7,450	1,054	1,056	1,078	1,156	1,180	1,256
1,050	1,075	2,650	2,675	374	4,250	4,275	602	5,850	5,875	658	7,450	7,475	1,058	1,060	1,082	1,160	1,184	1,260
1,075	1,100	2,675	2,700	378	4,275	4,300	606	5,875	5,900	662	7,475	7,500	1,062	1,064	1,086	1,164	1,188	1,264
1,100	1,125	2,700	2,725	382	4,300	4,325	610	5,900	5,925	666	7,500	7,525	1,066	1,068	1,090	1,168	1,192	1,268
1,125	1,150	2,725	2,750	386	4,325	4,350	614	5,925	5,950	670	7,525	7,550	1,070	1,072	1,094	1,172	1,196	1,272
1,150	1,175	2,750	2,775	390	4,350	4,375	618	5,950	5,975	674	7,550	7,575	1,074	1,076	1,098	1,176	1,200	1,276
1,175	1,200	2,775	2,800	394	4,375	4,400	622	5,975	6,000	678	7,575	7,600	1,078	1,080	1,102	1,180	1,204	1,280
1,200	1,225	2,800	2,825	398	4,400	4,425	626	6,000	6,025	682	7,600	7,625	1,082	1,084	1,106	1,184	1,208	1,284
1,225	1,250	2,825	2,850	402	4,425	4,450	630	6,025	6,050	686	7,625	7,650	1,086	1,088	1,110	1,188	1,212	1,288
1,250	1,275	2,850	2,875	406	4,450	4,475	634	6,050	6,075	690	7,650	7,675	1,090	1,092	1,114	1,192	1,216	1,292
1,275	1,300	2,875	2,900	410	4,475	4,500	638	6,075	6,100	694	7,675	7,700	1,094	1,096	1,118	1,196	1,220	1,296
1,300	1,325	2,900	2,925	414	4,500	4,525	642	6,100	6,125	698	7,700	7,725	1,098	1,100	1,122	1,200	1,224	1,300
1,325	1,350	2,925	2,950	418	4,525	4,550	646	6,125	6,150	702	7,725	7,750	1,102	1,104	1,126	1,204	1,228	1,304
1,350	1,375	2,950	2,975	422	4,550	4,575	650	6,150	6,175	706	7,750	7,775	1,106	1,108	1,130	1,208	1,232	1,308
1,375	1,400	2,975	3,000	426	4,575	4,600	654	6,175	6,200	710	7,775	7,800	1,110	1,112	1,134	1,212	1,236	1,312
1,400	1,425	3,000	3,025	430	4,600	4,625	658	6,200	6,225	714	7,800	7,825	1,114	1,116	1,138	1,216	1,240	1,316
1,425	1,450	3,025	3,050	434	4,625	4,650	662	6,225	6,250	718	7,825	7,850	1,118	1,120	1,142	1,220	1,244	1,320
1,450	1,475	3,050	3,075	438	4,650	4,675	666	6,250	6,275	722	7,850	7,875	1,122	1,124	1,146	1,224	1,248	1,324
1,475	1,500	3,075	3,100	442	4,675	4,700	670	6,275	6,300	726	7,875	7,900	1,126	1,128	1,150	1,228	1,252	1,328
1,500	1,525	3,100	3,125	446	4,700	4,725	674	6,300	6,325	730	7,900	7,925	1,130	1,132	1,154	1,232	1,256	1,332
1,525	1,550	3,125	3,150	450	4,725	4,750	678	6,325	6,350	734	7,925	7,950	1,134	1,136	1,158	1,236	1,260	1,336
1,550	1,575	3,150	3,175	454	4,750	4,775	682	6,350	6,375	738	7,950	7,975	1,138	1,140	1,162	1,240	1,264	1,340
1,575	1,600	3,175	3,200	458	4,775	4,800	686	6,375	6,400	742	7,975	8,000	1,142	1,144	1,166	1,244	1,268	1,344
1,600	1,625	3,200	3,225	462	4,800	4,825	690	6,400	6,425	746	8,000	8,025	1,146	1,148	1,170	1,248	1,272	1,348
1,625	1,650	3,225	3,250	466	4,825	4,850	694	6,425	6,450	750	8,025	8,050	1,150	1,152	1,174	1,252	1,276	1,352
1,650	1,675	3,250	3,275</															





### Tele-Tax Topic Numbers and Subjects

Code No.	Subject
	<b>IRS Procedures and Services</b>
01	IRS not available—Volunteer tax assistance programs; toll-free telephone
02	walk-in assistance and outreach program
03	Tax assistance for handicapped
04	Small business—Freezing income
05	Small business—Freezing income—Tax help for small businesses
06	Problem resolution program—Help for problem situations
07	Problem resolution program—Help for problem situations
08	Examination procedures and how to prepare for an audit
09	The collection process
10	Types of organizations that qualify for tax-exempt status
11	Organizations—How to apply for exempt status
12	Electronic filing
13	Special enrollment examination to practice before IRS
14	Power of attorney; information
15	Local information
	<b>Filing Requirements, Filing Status, Exemptions</b>
16	Who must file?
17	Which form—1040, 1040A or 1040EZ?
18	When and how to file
19	Dependent filing status
20	Dependents
21	Estimated tax
22	Amended returns
23	Decedents
	<b>Types of Income</b>
24	Wages and salaries
25	Tips
26	Dividends
27	Interest received
28	Disasters
29	Refund of state and local taxes
30	Business received
31	Business income
32	Capital gains and losses
33	Capital gains and losses
34	Pensions and annuities
35	Pensions—The general rule and the simplified general rule
36	Rental income and expenses
37	Renting vacation property/Renting to relatives
38	Royalties
39	Earnings for clergy
40	Unemployment compensation
41	Gambling income and expenses
42	Bartering income
43	Bartering income
44	Charitable contributions and grants
45	Notable income
46	Social security and equivalent railroad retirement benefits
47	1031(a) plans
48	Losses—Losses/credits
49	Supplemental Medicare premium
50	Tabular of railroad retirement benefits

**Call IRS With Your Tax Question**

If the instructions to the tax forms and our free tax publications have not answered your question, please call us TOLL FREE "Toll Free" is a telephone call for which you pay only local charges.

**CHOOSING THE RIGHT NUMBER:** Use only the number listed below for long distance calls. Use a local city number only if it is not a long distance call for your area. Please do not dial "1-800" when using a local city number.

**BEFORE YOU CALL:** Remember that good communication is a two-way process. IRS representatives care about the quality of the service we provide to you, our customer. You can help us provide accurate, complete answers to your tax questions by having the following information available:

1. The tax form, schedule, or notice to which your question relates.
2. The facts about your particular situation (the answer to the same question often varies from one taxpayer to another because of differences in their age, income, whether they can be claimed as a dependent, etc.)
3. The name of any IRS publication or other source of information that you used to look for the answer

**BEFORE YOU HANG UP:** If you do not fully understand the answer you

receive, or you feel our representative may not fully understand your question, our representative needs to know this. He or she will be happy to make the additional time required to be sure we have answered your question fully and in the manner which is most helpful to you.

By law, you are responsible for paying your fair share of Federal income tax. If we should make an error in answering your question, you are still responsible for the payment of the correct tax. Should this occur, however, you will not be charged any penalty. To make sure that IRS representative give accurate and courteous answers, a second IRS representative sometimes listens in on telephone calls. No record is kept of any taxpayer's identity.

<b>ALABAMA</b>	DISTRICT OF COLUMBIA	<b>KANSAS</b>
488 3100	1 800 424 1040	1 800 424 1040
<b>ALASKA</b>	<b>FLORIDA</b>	<b>KENTUCKY</b>
Jacksonville 354 1760	1 800 424 1040	1 800 424 1040
Esquire 1 800 424 1040	<b>GEORGIA</b>	<b>LOUISIANA</b>
Atlanta 522 0050	1 800 424 1040	1 800 424 1040
Esquire 1 800 424 1040	<b>HAWAII</b>	<b>MAINE</b>
<b>ARIZONA</b>	San Jose 541 1040	1 800 424 1040
Phoenix 257 1233	Esquire 1 800 424 1040	<b>MARYLAND</b>
Esquire 1 800 424 1040	<b>IDAHO</b>	Baltimore 962 2590
<b>ARKANSAS</b>	1 800 424 1040	Esquire 1 800 424 1040
<b>CALIFORNIA</b>	<b>ILLINOIS</b>	Princeton 285 1000
Please call the telephone	Chicago 395 1040	Esquire 1 800 424 1040
pages of your local	1 312 435 1040	<b>MASSACHUSETTS</b>
directories under	Esquire 1 800 424 1040	Boston 523 1040
U.S. Government Internal	<b>INDIANA</b>	Esquire 1 800 424 1040
Telephone Federal	Indianapolis 226 5477	<b>MICHIGAN</b>
Toll Assistance	Esquire 1 800 424 1040	1 800 424 1040
<b>COLORADO</b>	<b>IOWA</b>	Omaha 337 0890
Denver 825 7041	Des Moines 283 0523	Esquire 1 800 424 1040
Esquire 1 800 424 1040	<b>CONNECTICUT</b>	<b>MINNESOTA</b>
<b>CONNECTICUT</b>	1 800 424 1040	Minneapolis 291 1422
<b>DELAWARE</b>	<b>DELAWARE</b>	St Paul 291 1422
1 800 424 1040	Esquire 1 800 424 1040	Esquire 1 800 424 1040

**Need Additional Forms or Publications?**

**IF YOU DO NOT HAVE ANY TAX QUESTIONS AND YOU ONLY NEED TAX FORMS AND PUBLICATIONS, YOU CAN—**

- Visit your local IRS office
- Visit a participating bank or post office for Forms 1040, 1040EZ, and Schedules A&B and their related instructions
- Visit a participating library, which stocks a wider variety of forms and publications
- Use the handy order blank on the next to the last page of the instructions. You should receive the items you order within 2 weeks from the time you mail your request
- Call our toll-free "Forms Only" number (1-800-424-FORM(3676)). The hours of operation during the filing season are 8:00 A.M. to 5:00 P.M. (weekdays) and 9:00 A.M. to 3:00 P.M. (Saturdays). For callers in Alaska and Hawaii the hours are Pacific Standard Time. You should receive your order within 7 to 10 work days after you call.

Page 56

Topic No.	Subject
<b>Employer Tax Information</b>	
601	Social Security: withholding rates.
602	State income tax: where, when and how to file.
603	Form W-4—Employee's Withholding Allowance Certificate.
604	Employer tax deposits—General.
605	Employer identification number—How to apply.
606	Form 942—Employer's Quarterly Tax Return for Household Employees.
607	Form 941—Employer's Quarterly Federal Tax Return.
608	Form 940—Deposit requirements.
609	Form 940-EZ—Deposit requirements.
610	Form 941-EZ—Employer's Annual Federal Income Tax Return.
611	Targeted jobs credit.
612	TIPS—Withholding and Reporting.
<b>Magnetic Media Information</b>	
651	Who must file/originate and corrections.
652	Acceptable media/locating a third party to accept.
653	Applications, forms, and information.
654	Waivers, extensions, and format deviations.
655	Test files and combined Federal/state filing.
<b>Tax information for Aliens and U.S Citizens Living Abroad</b>	
701	Resident and nonresident aliens.
702	Qual status alien.
703	Alien tax clearance.
704	Foreign earned income exclusion—General.
705	Foreign earned income exclusion—Who qualifies?
706	Foreign earned income tax credit—Who qualifies?
707	Foreign tax credit.
<b>The following topics are in Spanish:</b>	
751	Who must file?
752	Which form to use?
753	What is your filing status?
754	What is your tax liability?
755	Highlights of 1989 tax changes.
756	Forms and publications—How to order.
757	Forms and publications.
758	Alien tax clearance.
759	Foreign earned income exclusion—Who should take IRS pre-approval? Volunteer tax walk-in assistance, toll-free telephone, walk-in assistance, and outreach program.
760	Foreign earned income equivalent railroad retirement benefits.
761	Supplemental Medicare premium.
<b>Tax information for Puerto Rico Residents</b>	
851	Who must file a U.S. income tax return in Puerto Rico?
852	Declarations and credits for Puerto Rico filers.
853	Federal employment taxes in Puerto Rico.
854	Tax assistance for residents of Puerto Rico.

Topic numbers are effective January 1, 1990.

Page 55

## Notes

**How To Get Forms**

Generally, we mail forms and schedules directly to you based on what seems to be right for you. Schedules and forms you may need are listed below. Also see the list of related publications.

You can order the following items from IRS or get them at many participating banks, post offices, or libraries:

**Form 1040**, U.S. Individual Income Tax Return  
Instructions for Form 1040

**Form 1040A**

Instructions for Form 1040A

**Form 1040EZ**

Instructions for Form 1040EZ

**Schedule A** for itemized deductions

**Schedule B** for interest income if more than \$400, for dividends and other distributions on stock if more than \$400, and for answering the Foreign Accounts or Foreign Trusts questions

You can photocopy the following items (as well as those listed above) at many participating libraries or order them from IRS:

**Schedule 2 (Form 1040A)**, Supplemental Medicare Premium for Form 1040A Filers

**Schedule C**, Profit or Loss From Business

**Schedule D**, Capital Gains and Losses

**Schedule E**, Supplemental Income and Loss

**Schedule F**, Farm Income and Expenses

**Schedule R**, Credit for the Elderly or the Disabled

**Schedule SE**, Social Security Self-Employment Tax

**Form 1040-ES**, Estimated Tax for Individuals

**Form 2106**, Employee Business Expenses

**Form 2119**, Sale of Your Home

**Form 2210**, Underpayment of Estimated Tax by Individuals and Fiduciaries

**Form 2441**, Child and Dependent Care Expenses

**Form 3468**, Computation of Investment Credit

**Form 3903**, Moving Expenses

**Form 4562**, Depreciation and Amortization

**Form 4868**, Application for Automatic Extension of Time To File U.S. Individual Income Tax Return

**Form 8283**, Nontax Charitable Contributions

**Form 8332**, Release of Claim to Exemption for Child of Divorced or Separated Parents

**Form 8582**, Passive Activity Loss Limitations

**Form 8606**, Nondeductible IRA Contributions, IRA Basis, and Nondeductible IRA Distributions

**Form 8615**, Computation of Tax for Children Under Age 14 Who Have Investment Income of More Than \$1,000

**Form 8808**, Supplemental Medicare Premium

**How To Get Publications**

The following publications can be ordered from IRS or you can read or photocopy them at many participating libraries:

**1** Your Rights as a Taxpayer

**2** The ABC's of Income Tax

**17** Your Federal Income Tax

**463** Travel, Entertainment, and Gift Expenses

**501** Exemptions, Standard Deduction, and Filing Information

**502** Medical and Dental Expenses

**504** Tax Information for Divorced or Separated Individuals

**505** Tax Withholding and Estimated Tax

**S08** Educational Expenses

**521** Moving Expenses

**523** Tax Information on Selling Your Home

**524** Credit for the Elderly or the Disabled

**525** Taxable and Nontaxable Income

**527** Residential Rental Property (Including Rental of Vacation Houses)

**529** Miscellaneous Deductions

**545** Interest Expense

**553** Highlights of 1989 Tax Changes

**554** Tax Information for Older Americans

**910** Guide to Free Tax Services

**917** Business Use of a Car

**929** Tax Rules for Children and Dependents

Other publications and forms referred to in the instructions are also available without cost from the "Forms Distribution Center" for your state. See Publication 910 for a complete list of available publications.

# Where To Send Your Order for Free Forms and Publications

Please send your order to the "Forms Distribution Center" for your state

Alabama—P O Box 9903, Bloomington, IL 61799	North Carolina—P O Box 25866, Richmond, VA 23289
Alaska—P O Box 9903, Bloomington, IL 61799	North Dakota—P O Box 9903, Bloomington, IL 61799
Arizona—P O Box 9903, Bloomington, IL 61799	Ohio—P O Box 9903, Bloomington, IL 61799
Arkansas—P O Box 9903, Bloomington, IL 61799	Oklahoma—P O Box 9903, Bloomington, IL 61799
California—P O Box 9903, Bloomington, IL 61799	Oregon—P O Box 9903, Bloomington, IL 61799
Colorado—P O Box 9903, Bloomington, IL 61799	Pennsylvania—P O Box 25866, Richmond, VA 23289
Connecticut—P O Box 25866, Richmond, VA 23289	Rhode Island—P O Box 25866, Richmond, VA 23289
Delaware—P O Box 25866, Richmond, VA 23289	South Carolina—P O Box 25866, Richmond, VA 23289
District of Columbia—P O Box 25866, Richmond, VA 23289	South Dakota—P O Box 9903, Bloomington, IL 61799
Florida—P O Box 25866, Richmond, VA 23289	Tennessee—P O Box 9903, Bloomington, IL 61799
Georgia—P O Box 25866, Richmond, VA 23289	Texas—P O Box 9903, Bloomington, IL 61799
Hawaii—P O Box 9903, Bloomington, IL 61799	Utah—P O Box 25866, Richmond, VA 23289
Idaho—P O Box 9903, Bloomington, IL 61799	Vermont—P O Box 25866, Richmond, VA 23289
Illinois—P O Box 9903, Bloomington, IL 61799	Virginia—P O Box 25866, Richmond, VA 23289
Indiana—P O Box 9903, Bloomington, IL 61799	Washington—P O Box 25866, Richmond, VA 23289
Iowa—P O Box 9903, Bloomington, IL 61799	West Virginia—P O Box 25866, Richmond, VA 23289
Kansas—P O Box 9903, Bloomington, IL 61799	Wisconsin—P O Box 9903, Bloomington, IL 61799
Kentucky—P O Box 9903, Bloomington, IL 61799	Wyoming—P O Box 25866, Richmond, VA 23289
Louisiana—P O Box 9903, Bloomington, IL 61799	
Maine—P O Box 25866, Richmond, VA 23289	
Maryland—P O Box 25866, Richmond, VA 23289	
Massachusetts—P O Box 25866, Richmond, VA 23289	
Michigan—P O Box 9903, Bloomington, IL 61799	
Minnesota—P O Box 9903, Bloomington, IL 61799	
Mississippi—P O Box 9903, Bloomington, IL 61799	
Missouri—P O Box 9903, Bloomington, IL 61799	
Montana—P O Box 9903, Bloomington, IL 61799	
Nebraska—P O Box 9903, Bloomington, IL 61799	
Nevada—P O Box 9903, Bloomington, IL 61799	
New Hampshire—P O Box 25866, Richmond, VA 23289	
New Jersey—P O Box 25866, Richmond, VA 23289	
New Mexico—P O Box 25866, Richmond, VA 23289	
New York—P O Box 25866, Richmond, VA 23289	

U.S. GOVERNMENT PRINTING OFFICE: 1989-245-584

Detach at This Line

Order Blank	1040	Schedule C (1040)	1040-ES (1990)	3903 & Instructions	8615	Pub 504	Pub 527	Pub 929
Circle Desired Forms, Instructions, and Publications	Instructions for 1040 & Schedules	Schedule D (1040)	Instructions for 1040 & Schedules	4562 & Instructions	8808 & Instructions	Pub 505	Pub 529	
	1040A	Schedule D-1 (1040)	2106 & Instructions	4868	Pub 1	Pub 508	Pub 545	
	Schedule 2 (1040)	Schedule E (1040)	2119 & Instructions	8283 & Instructions	Pub 2	Pub 521	Pub 553	
	1040E2	Schedule F (1040)	2210 & Instructions	8332	Pub 463	Pub 523	Pub 554	
	1040A & 1040E2	Schedule R (1040) & Instructions	2441 & Instructions	8582 & Instructions	Pub 501	Pub 524	Pub 910	
	Schedule SE & R & B (1040)	Schedule SE (1040)	3468 & Instructions	8606	Pub 502	Pub 525	Pub 917	

Page 59

## Index to Instructions

A Address Change	32	G Foreign Accounts and Foreign Trusts	27
Adjustments to Income	14	H General Information	39
After-School Child Care Payments	19	I Head of Household	7
Amount Paid	15	J Income Tax	25
Amended Return	23	K Interest on Tax	22
Amortization	11	L Line Instructions	6
Annual Election	18	M Married Persons	7
Applicable Law	21	N Medical and Dental Expenses	23
At-Risk Rules	31, 37, and 44	O Other Income	10 and 27
Automatically Revoked Information	6	P Penalties	32
Backup Withholding	19	Q Payments	35 and 41
Barter Exchange	16	R Rollovers	15
Business Income and Expenses (Schedule C)	34	S Savings	22
Business Losses	28 and 34	T Tax	10 and 27
Capital Gain Distributions	28	U Unemployment Compensation	13
Charitable Contributions	26	V Where To File	5
Child and Dependent Care Expenses—Credit for	18	W When To File	5
Child and Dependent Care Expenses—Separated Parents—	18	X Who Should File	5
Community Property System	9	Y Who Must File	6
Credit Against Tax	18	Z Who Should File	5
D Day Care Center Expenses	18		
E Dependent Care Expenses	20		
F Dividends	26		
G Dividends—Other Dividends	26		
H Dividends—Substantiated Payments—Children of	8		
I Dividends—Other Dividends	26		
J Dividends—Substantiated Payments—Children of	8		
K Dividends—Other Dividends	26		
L Dividends—Substantiated Payments—Children of	8		
M Dividends—Other Dividends	26		
N Dividends—Substantiated Payments—Children of	8		
O Dividends—Other Dividends	26		
P Dividends—Substantiated Payments—Children of	8		
Q Dividends—Other Dividends	26		
R Dividends—Substantiated Payments—Children of	8		
S Dividends—Other Dividends	26		
T Dividends—Substantiated Payments—Children of	8		
U Dividends—Other Dividends	26		
V Dividends—Substantiated Payments—Children of	8		
W Dividends—Other Dividends	26		
X Dividends—Substantiated Payments—Children of	8		
Y Dividends—Other Dividends	26		
Z Dividends—Substantiated Payments—Children of	8		

Detach at This Line

Print or type your name and address on this label. It will be used to speed your order for forms to you.

Name \_\_\_\_\_

Number, street, and apt. number \_\_\_\_\_

City, town or post office, state, and ZIP code \_\_\_\_\_

Save Time! Participating libraries have IRS tax forms available for copying and reference sets of Tax Information Publications. Also, participating banks, post offices, and libraries stock Forms 1040, 1040A, 1040EZ, their Instructions, and Schedules A-B.

Page 60

U.S. Government Printing Office, 1989-245-585

<div style="display: flex; justify-content: space-between;"> <div> <b>Form 1040A</b>                      U.S. Individual                      Income Tax Return                 </div> <div> <b>1989</b> </div> </div>																																				
<b>Step 1</b> <b>Label</b>	<div style="display: flex; justify-content: space-between;"> <div>                         Your first name and initial                          _____                          Last name                          _____                     </div> <div>                         Your social security no.                          _____                     </div> </div> <div style="display: flex; justify-content: space-between; margin-top: 10px;"> <div>                         If joint return, spouse's first name and initial                          _____                          Last name                          _____                     </div> <div>                         Spouse's social security no.                          _____                     </div> </div> <div style="display: flex; justify-content: space-between; margin-top: 10px;"> <div>                         Home address (number and street) (If you have a P.O. box, see page 15a of the instructions.)                          _____                          Apt. no.                          _____                     </div> </div> <div style="display: flex; justify-content: space-between; margin-top: 10px;"> <div>                         City, town or post office, state and ZIP code. (If you have a foreign address, see page 15.)                          _____                     </div> </div>																																			
<b>Step 2</b> <b>Check your filing status</b> <small>(check only one)</small>	<div style="display: flex; justify-content: space-between;"> <div> <b>1</b> <input type="checkbox"/> Single (See if you can use Form 1040EZ.)  <b>2</b> <input type="checkbox"/> Married filing joint return (even if only one had income) and spouse's full name here: _____  <b>3</b> <input type="checkbox"/> Head of household (with qualifying person). (See page 16.) If the qualifying person is your child but not your dependent, enter this child's name here: _____  <b>4</b> <input type="checkbox"/> Qualifying widower (with dependent child (year spouse died) 19____). (See page 17.)                 </div> <div> <b>Notes:</b> (Check "Yes" if "No" will not change your tax or reduce your refund.)                      If joint return, does your spouse want \$1 to go to this fund? <input type="checkbox"/> Yes <input type="checkbox"/> No                      If joint return, does your spouse want \$1 to go to this fund? <input type="checkbox"/> Yes <input type="checkbox"/> No                 </div> </div>																																			
<b>Step 3</b> <b>Figure your exemptions</b> <small>(See page 15 of instructions.)</small>	<div style="display: flex; justify-content: space-between;"> <div> <b>6a</b> <input type="checkbox"/> Yourself (If someone (such as your parent) can claim you as a dependent on his or her tax return, do not check box 6a. But be sure to check the box on line 15b on page 2.)  <b>6b</b> <input type="checkbox"/> Spouse  <b>6c</b> Dependents:  <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th>1 Name (first, initial, and last name)</th> <th>2 Check if your dependent is your spouse</th> <th>3 If age 2 or older, dependent's social security number</th> <th>4 Relationship</th> <th>5 No. of months lived in home in 1989</th> </tr> </thead> <tbody> <tr><td> </td><td> </td><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td><td> </td><td> </td></tr> </tbody> </table> </div> <div> <b>Notes:</b>                      No. of other dependents claimed on Form(s) W-2: _____                      No. of other dependents claimed on Form(s) 1099-G: _____                      No. of other dependents claimed on Form(s) 1099-E: _____                      No. of other dependents claimed on Form(s) 1099-NEC: _____                      No. of other dependents claimed on Form(s) 1099-SS: _____                      No. of other dependents claimed on Form(s) 1099-PR: _____                      No. of other dependents claimed on Form(s) 1099-INT: _____                      No. of other dependents claimed on Form(s) 1099-DIV: _____                      No. of other dependents claimed on Form(s) 1099-OTC: _____                      No. of other dependents claimed on Form(s) 1099-SP: _____                      No. of other dependents claimed on Form(s) 1099-TR: _____                      No. of other dependents claimed on Form(s) 1099-VA: _____                      No. of other dependents claimed on Form(s) 1099-VC: _____                      No. of other dependents claimed on Form(s) 1099-VE: _____                      No. of other dependents claimed on Form(s) 1099-VF: _____                      No. of other dependents claimed on Form(s) 1099-VG: _____                      No. of other dependents claimed on Form(s) 1099-VH: _____                      No. of other dependents claimed on Form(s) 1099-VI: _____                      No. of other dependents claimed on Form(s) 1099-VJ: _____                      No. of other dependents claimed on Form(s) 1099-VK: _____                      No. of other dependents claimed on Form(s) 1099-VL: _____                      No. of other dependents claimed on Form(s) 1099-VM: _____                      No. of other dependents claimed on Form(s) 1099-VN: _____                      No. of other dependents claimed on Form(s) 1099-VO: _____                      No. of other dependents claimed on Form(s) 1099-VP: _____                      No. of other dependents claimed on Form(s) 1099-VQ: _____                      No. of other dependents claimed on Form(s) 1099-VR: _____                      No. of other dependents claimed on Form(s) 1099-VS: _____                      No. of other dependents claimed on Form(s) 1099-VT: _____                      No. of other dependents claimed on Form(s) 1099-VU: _____                      No. of other dependents claimed on Form(s) 1099-VV: _____                      No. of other dependents claimed on Form(s) 1099-VW: _____                      No. of other dependents claimed on Form(s) 1099-VX: _____                      No. of other dependents claimed on Form(s) 1099-VY: _____                      No. of other dependents claimed on Form(s) 1099-VZ: _____                 </div> </div>	1 Name (first, initial, and last name)	2 Check if your dependent is your spouse	3 If age 2 or older, dependent's social security number	4 Relationship	5 No. of months lived in home in 1989																														
1 Name (first, initial, and last name)	2 Check if your dependent is your spouse	3 If age 2 or older, dependent's social security number	4 Relationship	5 No. of months lived in home in 1989																																
<b>Step 4</b> <b>Figure your total income</b> <small>Attach only if you are a dependent on someone's return here.</small>	<div style="display: flex; justify-content: space-between;"> <div> <b>7</b> Wages, salaries, tips, etc. This should be shown in Box 10 of your W-2 form(s). (Attach Form(s) W-2.)  <b>8a</b> Taxable interest income (see page 24). (If over \$400, also complete and attach Schedule 1, Part II.)  <b>b</b> Tax-exempt interest income (see page 24). (DO NOT include on line 8a.)  <b>9</b> Dividends. (If over \$400, also complete and attach Schedule 1, Part III.)  <b>10</b> Unemployment compensation (insurance) from Form(s) 1099-G.  <b>11</b> Add lines 7, 8a, 9, and 10. Enter the total. This is your total income.                 </div> <div> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%;"></td> <td style="width: 50%; text-align: right;">7</td> </tr> <tr> <td></td> <td style="text-align: right;">8a</td> </tr> <tr> <td></td> <td style="text-align: right;">8b</td> </tr> <tr> <td></td> <td style="text-align: right;">9</td> </tr> <tr> <td></td> <td style="text-align: right;">10</td> </tr> <tr> <td></td> <td style="text-align: right;">11</td> </tr> </table> </div> </div>		7		8a		8b		9		10		11																							
	7																																			
	8a																																			
	8b																																			
	9																																			
	10																																			
	11																																			
<b>Step 5</b> <b>Figure your adjusted gross income</b>	<div style="display: flex; justify-content: space-between;"> <div> <b>12a</b> Your IRA deduction from applicable worksheet. Rules for IRAs begin on page 25.  <b>b</b> Spouse's IRA deduction from applicable worksheet. Rules for IRAs begin on page 25.  <b>c</b> Add lines 12a and 12b. Enter the total. These are your total adjustments.  <b>13</b> Subtract line 12c from line 11. Enter the result. This is your adjusted gross income. (If this line is less than \$13,340 and a child lived with you, see "Earned Income Credit" (line 25b) on page 37 of instructions.)                 </div> <div> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%;"></td> <td style="width: 50%; text-align: right;">12a</td> </tr> <tr> <td></td> <td style="text-align: right;">12b</td> </tr> <tr> <td></td> <td style="text-align: right;">12c</td> </tr> <tr> <td></td> <td style="text-align: right;">13</td> </tr> </table> </div> </div>		12a		12b		12c		13																											
	12a																																			
	12b																																			
	12c																																			
	13																																			



<b>Form 1040EZ</b> <b>Income Tax Return for Single Filers With No Dependents</b> <b>1989</b>	Department of the Treasury Internal Revenue Service Home address, number and street (If you have a P.O. box, see back.) Apt. No. _____ City, town or post office name and ZIP code _____ State _____ Zip _____ Print your name above the lines initial last: _____ Your social security number: <b>9876543210</b> Please print your numbers like this.
<b>Name &amp; address</b>	Use the IRS mailing label. If you don't have one, please print Do you want \$1 to go to this fund? <input type="checkbox"/> Yes <input type="checkbox"/> No
<b>Report your income</b>	Attach Copy B of Form(s) W-2 here 1 Total wages, salaries, and tips This should be shown in Box 10 of your W-2 form(s). (Attach your W-2 form(s).) <b>1</b> 2 Taxable interest income of \$400 or less. If the total is more than \$400, you cannot use Form 1040EZ. <b>2</b> 3 Add line 1 and line 2. This is your <b>adjusted gross income</b> . <b>3</b> 4 Can your parents (or someone else) claim you on their return? <input type="checkbox"/> Yes. Do worksheet on back, enter amount from line E here <input type="checkbox"/> No. Enter 5,100. This is the total of your standard deduction and personal exemption <b>4</b> 5 Subtract line 4 from line 3. If line 4 is larger than line 3, enter 0. This is your <b>taxable income</b> . <b>5</b> 6 Enter your Federal income tax withheld from Box 9 of your W-2 form(s). <b>6</b> 7 Tax. Use the amount on line 5 to look up your tax in the tax table on pages 41-46 of the Form 1040EZ/1040EZ booklet. Use the single column in the table. Enter the tax from the table on this line <b>7</b> 8 If line 6 is larger than line 7, subtract line 7 from line 6. This is your <b>refund</b> . <b>8</b> 9 If line 7 is larger than line 6, subtract line 6 from line 7. This is the amount you owe. Attach check or money order for the full amount, payable to "Internal Revenue Service." <b>Sign your return</b> I have read this return. Under penalties of perjury, I declare that to the best of my knowledge and belief, the return is true, correct, and complete. Your signature _____ Date _____ (Keep a copy of this form and records.)

For Privacy Act and Paperwork Reduction Act Notice, see page 3 in the booklet. Form 1040EZ (1989)

<b>1989 Instructions for Form 1040EZ</b>	Use this form if: • Your filing status is single • You do not claim any dependents • You had only wages, salaries, tips, and taxable scholarships or fellowships, and your taxable interest income was \$400 or less. <b>Caution:</b> If you earned tips (including allocated tips) that are not included in Box 14 of your W-2, you may not be able to use Form 1040EZ. See page 23 in the booklet. If you are not sure about your filing status or dependents, see pages 15 through 20 in the booklet. If you can't use this form, see pages 11 through 13 in the booklet for which form to use.		
<b>Completing your return</b>	Please print your numbers inside the boxes. Do not type your numbers. Do not use dollar signs. You may round off cents to whole dollars. To do so, drop amounts under 50 cents and increase amounts that are 50 cents or more. For example, \$129.49 becomes \$129 and \$129.50 becomes \$130. If you round off, do so for all amounts. But if you have to add two or more amounts to figure the amount to enter on a line, include cents when adding and round off only the total.		
<b>Name &amp; address</b>	Please use the mailing label we sent you. It can help speed your refund. After you complete your return, put the label in the name and address area. Cross out any errors. Print the right information on the label (including apartment number). If you don't have a label, print your name, address, and social security number. If your post office does not deliver mail to your home and you have a P.O. box, show your P.O. box number instead of your home address.		
<b>Presidential campaign fund</b>	Congress set up this fund to help pay for Presidential election costs. If you want \$1 of your tax to go to this fund, check the "Yes" box. If you check "Yes," your tax or refund will not change.		
<b>Report your income</b>	Line 1. If you don't get your W-2 by February 15, contact your local IRS office. You must still report your wages, salaries, and tips even if you don't get a W-2 from your employer. Students, if you received a scholarship or fellowship, see page 23 in the booklet. Line 2. Banks, savings and loans, credit unions, etc., should send you a Form 1099-INT showing the amount of taxable interest paid to you. You must report all your taxable interest even if you don't get a Form 1099-INT. If you had tax-exempt interest, such as on municipal bonds, write "TEI" in the space to the left of line 2. After "TEI," show the amount of your tax-exempt interest. Do not add tax-exempt interest in the total on line 2. Line 4. If you checked "Yes" because someone can claim you as a dependent, fill in this worksheet to figure the amount to enter on line 4.		
<b>Figure your tax</b>	<table border="0" style="width: 100%;"> <tr> <td style="width: 50%;">           Standard deduction worksheet            Enter the amounts on lines A and B above:            A. Enter the amount from line 1 on front _____            B. Minimum amount _____            C. Compare the amounts on lines A and B above. Enter the LARGER of the two amounts here. _____            D. Maximum amount _____            E. Compare the amounts on lines C and D above. Enter the SMALLER of the two amounts here and on line 4 on front. _____         </td> <td style="width: 50%;">           If you checked "No" because no one can claim you as a dependent, enter 5,100 on line 4. This is the total of your standard deduction (3,100) and personal exemption (2,000).            Line 6. If you received a Form 1099-INT showing income tax withheld (back-up withholding), include the amount in the total on line 6. To the left of line 6, write "Form 1099." If you had two or more employers and had total wages of over \$48,000, see page 35 in the booklet.            If you want IRS to figure your tax, skip lines 7 through 9. Then sign and date your return. If you paid too much tax, we will send you a refund. If you didn't pay enough tax, we will send you a bill. We won't charge you interest or a late payment penalty if you pay within 30 days of the notice date or by April 16, 1990, whichever is later. If you want to figure your own tax, complete the rest of your return.         </td> </tr> </table>	Standard deduction worksheet Enter the amounts on lines A and B above: A. Enter the amount from line 1 on front _____ B. Minimum amount _____ C. Compare the amounts on lines A and B above. Enter the LARGER of the two amounts here. _____ D. Maximum amount _____ E. Compare the amounts on lines C and D above. Enter the SMALLER of the two amounts here and on line 4 on front. _____	If you checked "No" because no one can claim you as a dependent, enter 5,100 on line 4. This is the total of your standard deduction (3,100) and personal exemption (2,000). Line 6. If you received a Form 1099-INT showing income tax withheld (back-up withholding), include the amount in the total on line 6. To the left of line 6, write "Form 1099." If you had two or more employers and had total wages of over \$48,000, see page 35 in the booklet. If you want IRS to figure your tax, skip lines 7 through 9. Then sign and date your return. If you paid too much tax, we will send you a refund. If you didn't pay enough tax, we will send you a bill. We won't charge you interest or a late payment penalty if you pay within 30 days of the notice date or by April 16, 1990, whichever is later. If you want to figure your own tax, complete the rest of your return.
Standard deduction worksheet Enter the amounts on lines A and B above: A. Enter the amount from line 1 on front _____ B. Minimum amount _____ C. Compare the amounts on lines A and B above. Enter the LARGER of the two amounts here. _____ D. Maximum amount _____ E. Compare the amounts on lines C and D above. Enter the SMALLER of the two amounts here and on line 4 on front. _____	If you checked "No" because no one can claim you as a dependent, enter 5,100 on line 4. This is the total of your standard deduction (3,100) and personal exemption (2,000). Line 6. If you received a Form 1099-INT showing income tax withheld (back-up withholding), include the amount in the total on line 6. To the left of line 6, write "Form 1099." If you had two or more employers and had total wages of over \$48,000, see page 35 in the booklet. If you want IRS to figure your tax, skip lines 7 through 9. Then sign and date your return. If you paid too much tax, we will send you a refund. If you didn't pay enough tax, we will send you a bill. We won't charge you interest or a late payment penalty if you pay within 30 days of the notice date or by April 16, 1990, whichever is later. If you want to figure your own tax, complete the rest of your return.		
<b>Amount you owe</b>	Line 9. If you owe tax, attach your check or money order for the full amount. Write your social security number, daytime phone number, and "1989 Form 1040EZ" on your payment.		
<b>Sign your return</b>	You must sign and date your return. If you pay someone to prepare your return, that person must sign it and show other information. See page 40 in the booklet.		
<b>Mailing your return</b>	Mail your return by April 16, 1990. Use the envelope that came with your booklet. If you don't have that envelope, see page 49 in the booklet for the address.		

### Schedule B—Interest and Dividend Income

**Part I Interest Income** (See instructions on pages 10 and 27)  
**If you received more than \$400 in taxable interest income, you must complete Parts I and III. List ALL interest received in Part I. If you received, as a nominee, interest that actually belongs to another person, or you received or paid accrued interest on securities transferred between interest payment dates, see page 27.**

1	Interest income from seller-financed mortgages (See instructions and list name of payer.)	1	Amount
2	Other interest income (List name of payer.)	2	
<b>Note:</b> If you received a Form 1099-INT or Form 1099-OID from a broker, list the firm's name as the payer and enter the total interest shown on that form.			
3	Add the amounts on lines 1 and 2. Enter the total here and on Form 1040, line 8a.	3	

**Part II Dividend Income** (See instructions on pages 10 and 27)  
**If you received more than \$400 in gross dividends and/or other distributions on stock, you must complete Part II and III. If you received, as a nominee, dividends that actually belong to another person, see page 27.**

4	Dividend income (List name of payer—include on this line capital gain distributions, nontaxable distributions, etc.)	Amount
5	Add the amounts on line 4. Enter the total here	5
6	Capital gain distributions. Enter here and on Schedule D*	6
7	Nontaxable distributions. (See the instructions for Form 1040, line 9)	7
8	Add the amounts on lines 6 and 7. Enter the total here	8
9	Subtract line 8 from line 5. Enter the result here and on Form 1040, line 9	9

**Part III Foreign Accounts and Foreign Trusts** (See instructions on page 27)  
**If you received more than \$400 of interest or dividends, OR if you had a foreign account or were a grantor of, or a transferor to, a foreign trust, you must answer both questions in Part III.**

10a	At any time during 1989, did you have an interest in or a signature or other authority over a financial account in a foreign country (such as a bank account, securities account, or other financial account)? (See page 27 of the instructions for exceptions and filing requirements for Form TD F 90-22.1)	Yes	No
b	If "Yes," enter the name of the foreign country		
11	Were you the grantor of, or transferor to, a foreign trust that existed during 1989, whether or not you have any beneficial interest in it? If "Yes," you may have to file Form 3520, 3520-A, or 926.		

**Schedule B (Form 1040) 1989**  
 \* U.S. GOVERNMENT PRINTING OFFICE: 1989-257-102  
 For Paperwork Reduction Act Notice, see Form 1040 Instructions.

### Schedule A—Itemized Deductions

(Schedule A is on back)  
 Attach to Form 1040 See instructions for Schedules A and B (Form 1040).

<b>Medical and Dental Expenses</b> (Do not include expenses reimbursed or paid by others)	<b>1a</b> Prescription medicines and drugs, insulin, doctors, dentists, nurses, hospitals, medical insurance premiums you paid, etc.	<b>1b</b> Other (List—include hearing aids, dentures, eyeglasses, transportation and lodging, etc.)	<b>2</b> Add the amounts on lines 1a and 1b. Enter the total here	<b>3</b> Multiply the amount on Form 1040, line 32, by 7.5% (0.075)	<b>4</b> Subtract line 3 from line 2. If zero or less, enter -0-	<b>Total medical and dental</b>
<b>Taxes You Paid</b> (See instructions on page 24)	<b>5</b> State and local income taxes	<b>6</b> Real estate taxes	<b>7</b> Other taxes (List—include personal property taxes)	<b>8</b> Add the amounts on lines 5 through 7. Enter the total here	<b>9a</b> Deductible home mortgage interest (from Form 1098) that you paid to financial institutions. Report deductible points on line 10	<b>9b</b> Other deductible home mortgage interest (If paid to an individual, show that person's name and address)
<b>Interest You Paid</b> (See instructions on page 24)	<b>10</b> Deductible points (See instructions for special rules)	<b>11</b> Deductible investment interest (See page 25)	<b>12a</b> Personal interest you paid (See page 25)	<b>12b</b> Multiply the amount on line 12a by 20% (0.20). Enter the result	<b>13</b> Add the amounts on lines 9a through 11, and 12b. Enter the total here	<b>Total interest</b>
<b>Gifts to Charity</b> (See instructions on page 25)	<b>14</b> Contributions by cash or check (If you gave \$3,000 or more to any one organization, show to whom you gave and how much you gave)	<b>15</b> Other than cash or check (You must attach Form 8283 if over \$500)	<b>16</b> Carryover from prior year	<b>17</b> Add the amounts on lines 14 through 16. Enter the total here	<b>18</b> Casualty or theft loss(es) (attach Form 4684) (See page 26 of the instructions)	<b>19</b> Moving expenses (attach Form 3903 or 3903F) (See page 26 of the instructions)
<b>Job Expenses and Most Other Miscellaneous Deductions</b> (See page 26 for expenses to deduct here)	<b>20</b> Unreimbursed employee expenses—job travel, union dues, education, etc. (You MUST attach Form 2106 in some cases. See instructions)	<b>21</b> Other expenses (investment, tax preparation, safe deposit box, etc.) List type and amount	<b>22</b> Add the amounts on lines 20 and 21. Enter the total	<b>23</b> Multiply the amount on Form 1040, line 32, by 2% (0.02). Enter the result here	<b>24</b> Subtract line 23 from line 22. Enter the result, if zero or less, enter -0-	<b>Other (from list on page 26 of instructions). List type and amount</b>
<b>Other Miscellaneous Deductions</b>	<b>25</b> Add the amounts on lines 4, 8, 13, 17, 18, 19, 24, and 25. Enter the total here. Then enter on Form 1040, line 34, the LARGER of this total or your standard deduction from page 17 of the instructions	<b>26</b>	<b>27</b>	<b>28</b>	<b>29</b>	<b>30</b>

**Schedule A (Form 1040) 1989**  
 For Paperwork Reduction Act Notice, see Form 1040 Instructions.







Schedule E (Form 1040) 1989

Attachment Sequence No. 13

Page 2

Your social security number

Name(s) shown on return (Do not enter name and social security number if shown on other side.)

**Note:** If you report amounts from farming or fishing on Schedule E, you must include your gross income from those activities on line 43 below.

### Part II Income or Loss From Partnerships and S Corporations

If you report a loss from an at-risk activity, you **MUST** check either column (e) or (f) to describe your investment in the activity. See instructions. If you check column (f), you must attach Form 6198.

	(a) Name	(b) Capital or other interest in S corporation	(c) Check if foreign partnership	(d) Employer identification number	(e) Investment at risk to all (f) Some is at risk
30					
A					
B					
C					
D					
E					

	Passive Income and Loss	Nonpassive Income and Loss
	(a) Passive loss allowed from Form 8582	(b) Passive income from Schedule K-1
	(c) Passive deduction or loss allowed from Form 8582	(d) Section 179 deduction (See instructions for limits)
	(e) Passive income from Schedule K-1	(f) Nonpassive income from Schedule K-1
31a Totals		
b Totals		
32	Add amounts in columns (h) and (i) of line 31a. Enter the total income here	
33	Add amounts in columns (g), (i), and (j) of line 31b. Enter the total here	
34	Total partnership and S corporation income or (loss). Combine amounts on lines 32 and 33. Enter the result here and include in the total on line 42 below	

### Part III Income or Loss From Estates and Trusts

	(a) Name	(b) Employer identification number
35		
A		
B		
C		

	Passive Income and Loss	Nonpassive Income and Loss
	(c) Passive deduction or loss allowed from Form 8582	(d) Passive income from Schedule K-1
	(e) Passive income from Schedule K-1	(f) Deduction or loss from Schedule K-1
	(g) Passive income from Schedule K-1	(h) Other income from Schedule K-1
36a Totals		
b Totals		
37	Add amounts in columns (d) and (f) of line 36a. Enter the total income here	
38	Add amounts in columns (c) and (e) of line 36b. Enter the total here	
39	Total estate and trust income or (loss). Combine amounts on lines 37 and 38. Enter the result here and include in the total on line 42 below	

### Part IV Income or Loss From Real Estate Mortgage Investment Conduits (REMICs)—Residual Holder

	(a) Name	(b) Employer identification number	(c) Excess inclusion from Schedule Q line 2c (See instructions)	(d) Taxable income (net loss) from Schedules Q line 1b (See instructions)	(e) Income from Schedules Q line 3b
40					
41	Combine amounts in columns (d) and (e) only. Enter the result here and include in the total on line 42 below				

### Part V Summary of Parts I Through IV

42	TOTAL income or (loss). Combine amounts on lines 29, 34, 39, and 41. Enter the result here and on Form 1040, line 1B	42
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### Part VI Reconciliation of Farming and Fishing Income

43	Farmers and fishermen. Enter your gross farming and fishing income reported in Parts I, II, and III (see instructions)	43
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401 Supplemental Printing Office 1989-247

# **SCHEDULE F**

OMB No. 1545-0074

1989

Sequence No. 14

## **Farm Income and Expenses**

► Attach to Form 1040, Form 1041, or Form 1065.

► See Instructions for Schedule F (Form 1040).

Name of corporation \_\_\_\_\_ Social security number (SSN) \_\_\_\_\_

**A** Principal product (Describe, under two words, your principal activity for the current tax year) \_\_\_\_\_

**B** Agricultural activity code (from Part IV) \_\_\_\_\_

**C** Accounting method \_\_\_\_\_

**D** Employer ID number (Not SSN) \_\_\_\_\_

**E** Did you make an election in a prior year to include Commodity Credit Corporation loan proceeds as income in that year? ☐ Yes ☐ No

**F** Did you "materially participate" in the operation of this business during 1989? (If "No," see instructions for limitations on losses.) ☐ Yes ☐ No

**G** Do you elect, or did you previously elect, to currently deduct certain preproductive period expenses? (See instructions.) ☐ Yes ☐ No

**H** If you choose to revoke a prior election for animals, see the instructions.

## **Part I Farm Income—Cash Method—Complete Parts I and II (Accrual method taxpayers complete Parts II and III, and line 11 of Part I)**

Do not include sales of livestock held for draft, breeding, sport, or dairy purposes; report these sales on Form 4797.

1 Sales of livestock and other items you bought for resale

2 Cost or other basis of livestock and other items you bought for resale

3 Subtract line 2 from line 1

4 Sales of livestock, produce, grains, and other products you raised

5a Total cooperative distributions (Form(s) 1099-PATR) 5a

5b Taxable amount 5b

6a Agricultural program payments (see instructions) 6a

6b Taxable amount 6b

7 Commodity Credit Corporation (CCC) loans

a CCC loans reported under election (see instructions)

b CCC loans forfeited or repaid with certificates 7b

7c Taxable amount 7c

8 Crop insurance proceeds and certain disaster payments (see instructions)

a Amount received in 1989 8a

c If election to defer to 1990 is attached, check here ☐ 8d Amount deferred from 1988

9 Custom hire (machine work) income 9

10 Other income, including Federal and state gasoline or fuel tax credit or refund (see instructions)

11 Add amounts on the right column for lines 3 through 10. If accrual method taxpayer, enter the amount from page 2, line 51. This is your gross income 11

## **Part II Farm Expenses—Cash and Accrual Method** (Do not include personal or living expenses such as taxes, insurance, repairs, etc., on your home.)

12 Breeding fees

13 Chemicals

14 Conservation expenses (you must attach Form 8645)

15 Custom hire (machine work)

16 Depreciation and section 179 deduction not claimed elsewhere (from Form 4562)

17 Employee benefit programs other than on line 25

18 Feed purchased

19 Fertilizers and lime

20 Freight and trucking

21 Gasoline, fuel, and oil

22 Insurance (other than health)

23 Interest

a Mortgage (paid to banks, etc.)

b Other

24 Labor hired (less jobs credit)

25 Pension and profit-sharing plans

26 Rent or lease

a Machinery and equipment

b Other (land, animals, etc.)

27 Repairs and maintenance

28 Seeds and plants purchased

29 Storage and warehousing

30 Supplies purchased

31 Taxes

32 Utilities (see instructions)

33 Veterinary fees and medicine

34 Other expenses (specify)

a \_\_\_\_\_

b \_\_\_\_\_

c \_\_\_\_\_

d \_\_\_\_\_

e \_\_\_\_\_

35 Add amounts on lines 12 through 34e. These are your total expenses

36 Net farm profit or (loss). Subtract line 35 from line 11. If a profit, enter on Form 1040, line 19, and on Schedule SE, line 1. If a loss, you MUST go to line 37. (Fiduciaries and partnerships see instructions.)

37 If you have a loss, you MUST check the box that describes your investment in this activity (see instructions). If you checked 37a, enter the loss on Form 1040, line 19, and Schedule SE, line 1. If you checked 37b, you MUST attach Form 6198.

For Paperwork Reduction Act Notice, see Form 1040 Instructions.

Schedule F (Form 1040) 1989

Page 2

Schedule F (Form 1040) 1989

## **Part III Farm Income—Accrual Method**

Do not include sales of livestock held for draft, breeding, sport, or dairy purposes; report these sales on Form 4797 and do not include this livestock on line 46 below.

38 Sales of livestock, produce, grains, and other products during year

39a Total cooperative distributions (Form(s) 1099-PATR) 39a

40a Agricultural program payments (see instructions) 40a

41 Commodity Credit Corporation (CCC) loans

a CCC loans reported under election (see instructions)

b CCC loans forfeited or repaid with certificates 41b

42 Crop insurance proceeds

43 Custom hire (machine work) income

44 Other income, including Federal and state gasoline or fuel tax credit or refund (see instructions)

45 Add amounts on the right column for lines 38 through 44

46 Inventory of livestock, produce, grains, and other products at beginning of year

47 Cost of livestock, produce, grains, and other products purchased during year

48 Add lines 46 and 47

49 Inventory of livestock, produce, grains, and other products at end of year

50 Cost of livestock, produce, grains, and other products sold. Subtract line 49 from line 48\*

51 Subtract line 50 from line 45. Enter the result here and on page 1, line 11. This is your gross income. 51

\* If you use the unit-inventory price method or the farm price method of valuing inventory and the amount on line 49 is larger than the amount on line 48, subtract line 48 from line 49. Enter the result on line 50. Add lines 45 and 50. Enter the total on line 51.

## **Part IV Principal Agricultural Activity Codes**

Select one of the following codes and write the 3-digit number on page 1, line 8. (Note: If your principal source of income is from providing agricultural services such as soil preparation, veterinary, farm labor, horticultural, or management for a fee or on a contract basis, you should file Schedule C (Form 1040), Profit or Loss From Business.)

120	Field crop, including grains and nongrains such as cotton, peanuts, feed corn, wheat, tobacco, Irish potatoes, etc.	211	Beef cattle feedlots
160	Vegetables and melons, garden-type vegetables and melons, such as sweet corn, tomatoes, squash, etc.	212	Beef cattle, except feedlots
170	Fruit and tree nuts, including grapes, berries, olives, etc.	215	Hogs, sheep, and goats
180	Ornamental floriculture and nursery products	240	Dairy
185	Food crops grown under cover, including hydroponic crops	250	Poultry and eggs, including chickens, ducks, pigeons, quail, etc.
		260	General livestock, not specializing in any one livestock category
		270	Animal specialty, including fur-bearing animals, pets, horses, etc.
		280	Animal aquaculture, including fish, shellfish, mollusks, frogs, etc., produced within confined space
		290	Forest products, including forest nurseries and seed gathering, extraction of pine gum, and gathering of forest products
		300	Agricultural production, not specified

U.S. GOVERNMENT PRINTING OFFICE: 1989.

**Schedule R  
(Form 1040)**

Department of the Treasury  
Internal Revenue Service (10)

**Credit for the Elderly or the Disabled**

► For Paperwork Reduction Act Notice, see Form 1040 Instructions.  
► Attach to Form 1040.

OMB No. 1545-0074

**1989**  
Attachment  
Sequence No. 17

Your social security number

You may be able to use Schedule R to reduce your tax if by the end of 1989

- You were 65 or older, OR
  - You were under 65, you retired on permanent and total disability, and you received taxable disability income
- Even if one of the situations described above applies to you, you must meet other tests to be able to take the credit on Schedule R. See the separate Schedule R Instructions for details.

**Note:** In most cases, IRS can figure this credit for you. See page 16 of the Form 1040 Instructions.

**Part I Check the Box That Applies to Your Filing Status and Age (Check only one box)**

- If your filing status is:** **And by the end of 1989:**
- Single\* 1 You were 65 or older ☐ **Check box:** 1 ☐
- 2 You were under 65 and you retired on permanent and total disability ☐ 2 ☐
- 3 Both spouses were 65 or older ☐ 3 ☐
- 4 Both spouses were under 65, but only one spouse retired on permanent and total disability ☐ 4 ☐
- 5 Both spouses were under 65, and both retired on permanent and total disability ☐ 5 ☐
- 6 One spouse was 65 or older, and the other spouse was under 65 and retired on permanent and total disability ☐ 6 ☐
- 7 One spouse was 65 or older, and the other spouse was under 65 and **NOT** retired on permanent and total disability ☐ 7 ☐
- 8 You were 65 or older, and you did not live with your spouse at any time in 1989 ☐ 8 ☐
- 9 You were under 65, you retired on permanent and total disability, and you did not live with your spouse at any time in 1989 ☐ 9 ☐

**Note:** If you checked the box on line 1, 3, 7, or 8, skip Part II and complete Part III on the back. All others, complete Parts II and III.

**Part II Statement of Permanent and Total Disability (Complete only if you checked the box on line 2, 4, 5, 6, or 9 above)**

**IF: 1** You filed a physician's statement for this disability for 1983 or an earlier year, or you filed a statement for tax years after 1983 and your physician checked Box 8 on the statement. **AND**

2 Due to your continued disabled condition you were unable to engage in any substantial gainful activity in 1989, check this box ☐

If you checked this box, you do not have to file another statement for 1989. If you did not check this box, have your physician complete the following statement.

**Physician's Statement**

I certify that \_\_\_\_\_

Name of disabled person

was permanently and totally disabled on January 1, 1976, or January 1, 1977, OR was permanently and totally disabled on the date he or she retired. If retired after December 31, 1976, enter the date retired: \_\_\_\_\_

**Physician:** Sign your name on either line A or B below and check the box to the right of your signature.

**A** The disability has lasted, or can be expected to last, continuously for at least a year. ☐ **A** ☐

**B** There is no reasonable probability that the disabled condition will ever improve. ☐ **B** ☐

Physician's name \_\_\_\_\_ Physician's signature \_\_\_\_\_ Date \_\_\_\_\_

Physician's address \_\_\_\_\_

**Instructions for Statement**

**Physician**

• A physician determines that the disability

1. has lasted, or can be expected to last, continuously for at least a year; or

2. can be expected to lead to death, physical or mental condition; and

**Taxpayer**

If you retired after December 31, 1976, enter the date you retired in the space provided

(Continued on back)

Schedule R (Form 1040) 1989

Page 2

**Part III Figure the Amount of Your Credit**

- 10 Enter \$5,000 if you checked the box on line 1, 2, 4, or 7 in Part I, OR \$7,500 if you checked the box on line 3, 5, or 6 in Part I, OR \$3,750 if you checked the box on line 8 or 9 in Part I.

**Caution:** If you checked the box on line 2, 4, 5, 6, or 9 in Part I, you **MUST** complete line 11 below. Otherwise, skip line 11 and enter the amount from line 10 on line 12.

- 11 Enter on line 11 your taxable disability income (and also your spouse's if you checked the box on line 5 in Part I) that you reported on Form 1040. However, if you checked the box on line 6 in Part I, enter on line 11 the taxable disability income of the spouse who was under age 65 PLUS \$5,000. (For more details on what to include, see the instructions.)

- 12 If you completed line 11 above, compare the amounts on lines 10 and 11, and enter the **smaller** of the two amounts here. Otherwise, enter the amount from line 10.

- 13 Enter the following pensions, annuities, or disability income that you (and your spouse if you file a joint return) received in 1989 (see instructions):

a Nontaxable part of social security benefits, and Nontaxable part of railroad retirement benefits treated as social security

b Nontaxable veterans' pensions, and Any other pension, annuity, or disability benefit that is excluded from income under any other provision of law

- c Add lines 13a and 13b. (Even though these income items are not taxable, they **must** be included to figure your credit.) If you did not receive any of the types of nontaxable income listed on line 13a or 13b, enter -0- on line 13c.

- 14 Enter the amount from Form 1040, line 32

- 15 Enter \$7,500 if you checked the box on line 1 or 2 in Part I, OR \$10,000 if you checked the box on line 3, 4, 5, 6, or 7 in Part I, OR \$5,000 if you checked the box on line 8 or 9 in Part I

- 16 Subtract line 15 from line 14. Enter the result. If line 15 is more than line 14, enter -0-.

- 17 Divide the amount on line 16 by 2. Enter the result

- 18 Add lines 13c and 17. Enter the total

- 19 Subtract line 18 from line 12. Enter the result. If the result is zero or less, stop here; you **cannot** take the credit. Otherwise, go on to line 21.

- 20 Decimal amount used to figure the credit

- 21 Multiply the amount on line 19 by the decimal amount (.15) on line 20. Enter the result here and on Form 1040, line 42. **Caution:** If you file Schedule C, D, E, or F (Form 1040), your credit may be limited. See the instructions for line 21 for the amount of credit you can claim.

U.S. GOVERNMENT PRINTING OFFICE: 1989-355-083

# **SCHEDULE SE** (Form 1040)

Department of the Treasury  
Internal Revenue Service (O)

Name of person with self-employment income (as shown on social security card)

OMB No. 1545-0074

**1989**  
Attachment  
Sequence No. 18

► See Instructions for Schedule SE (Form 1040)

Social security number of person with self-employment income

## **Who Must File Schedule SE**

You must file Schedule SE if

- Your net earnings from self-employment were \$400 or more (or you had wages of \$100 or more from an electing church or church-controlled organization), AND
  - Your wages (subject to social security or railroad retirement tax) were less than \$48,000
- Exception.** If your only self-employment income was from earnings as a minister, member of a religious order, or Christian Science practitioner, AND you filed **Form 4361** and received IRS approval not to be taxed on those earnings, DO NOT file Schedule SE. Instead, write "Exempt-Form 4361" on Form 1040, line 48.

For more information about Schedule SE, see the instructions.

**Note:** Most people can use the *short* Schedule SE on this page. But, you may have to use the *longer* Schedule SE that is on the back.

## **Who MUST Use the Long Schedule SE (Section B)**

You must use Section B if ANY of the following applies

- You choose the "optional method" to figure your self-employment tax (see Section B, Part II).
- You are a minister, member of a religious order, or Christian Science practitioner and you received IRS approval (from **Form 4361**) not to be taxed on your earnings from these sources, but you owe self-employment tax on other earnings.
- You were an employee of a church or church-controlled organization that chose by law not to pay employer social security taxes.
- You had tip income that is subject to social security tax, but you did not report those tips to your employer, OR
- You were a government employee with wages subject **ONLY** to the 1.45% Medicare part of the social security tax.

## **Section A—Short Schedule SE**

(Read above to see if you must use the long Schedule SE on the back (Section B).)

1 Net farm profit or (loss) from Schedule F (Form 1040), line 36, and farm partnerships, Schedule K-1 (Form 1065), line 14a

2 Net profit or (loss) from Schedule C (Form 1040), line 30, and Schedule K-1 (Form 1065), line 14a (other than farming). See the instructions for other income to report

3 Add lines 1 and 2. Enter the total. If the total is less than \$400, **do not** file this schedule. **you do not** owe self-employment tax

4 The largest amount of combined wages and self-employment earnings subject to social security or railroad retirement tax (tier 1) for 1989 is

5 Total social security wages and tips (from Form(s) W-2) and railroad retirement compensation (tier 1)

6 Subtract line 5 from line 4. Enter the result. If the result is zero or less, stop here, **you do not** owe self-employment tax

7 Enter the **smaller** of line 3 or line 6

8 Rate of tax

9 **Self-employment tax.** If line 7 is \$48,000, enter \$6,249.60. Otherwise, multiply the amount on line 7 by the decimal amount on line 8 and enter the result. Also enter this amount on Form 1040, line 48

For Paperwork Reduction Act Notice, see Form 1040 Instructions.

Schedule SE (Form 1040) 1989

Schedule SE (Form 1040) 1989

Attachment Sequence No. 18

Page 2

Name of person with self-employment income (as shown on social security card)

Social security number of person with self-employment income

## **Section B—Long Schedule SE**

(Before completing, see if you can use the short Schedule SE on the other side (Section A).)

- A** If you are a minister, member of a religious order, or Christian Science practitioner, AND you filed **Form 4361**, but you had \$400 or more of other earnings subject to self-employment tax, continue with Part I and check here ☐ **B** If your only earnings subject to self-employment tax were wages from an electing church or church-controlled organization that is exempt from employer social security taxes and you are not a minister or a member of a religious order, skip lines 1-3b. Enter zero on line 3c and go to line 3a

## **Part I—Figure Social Security Self-Employment Tax**

1 Net farm profit or (loss) from Schedule F (Form 1040), line 36, and farm partnerships, Schedule K-1 (Form 1065), line 14a

2 Net profit or (loss) from Schedule C (Form 1040), line 30, and Schedule K-1 (Form 1065), line 14a (other than farming). See instructions for other income to report (Employees of an electing church or church-controlled organization **do not** enter your Form W-2 wages on this line. See the instructions.)

3a Enter the amount from line 1 (or, if you elected the farm optional method, from line 11 below)

3b Enter the amount from line 2 (or, if you elected the nonfarm optional method, from line 13 below)

c Add lines 3a and 3b. Enter the total. If the total is less than \$400, **do not** file this schedule. **you do not** owe self-employment tax. **(Exception)** If you were an employee of an electing church or church-controlled organization and the total of lines 3a and 3b is less than \$400, enter zero and complete the rest of this schedule.

4 The largest amount or combined wages and self-employment earnings subject to social security or railroad retirement tax (tier 1) for 1989 is

5a Total social security wages and tips (from Form(s) W-2) and railroad retirement compensation (tier 1) for 1989. If you were an employee of an electing church or church-controlled organization, enter 1.45% Medicare tax and employees of certain church or church-controlled organizations should **not** include those wages on this line. See instructions.

b Unreported tips subject to social security tax (from Form 4137, line 9) or to railroad retirement tax (tier 1)

c Add lines 5a and 5b. Enter the total

6a Subtract line 5c from line 4. Enter the result. If the result is zero or less, enter zero and stop here, **you do not** owe self-employment tax

b Enter your Medicare qualified government wages. See the instructions to see if you must use the worksheet in those instructions to figure your self-employment tax

c Enter your Form W-2 wages of \$100 or more from an electing church or church-controlled organization

d Add lines 3c and 6c. Enter the total

7 Enter the **smaller** of line 6a or line 6d

8 Rate of tax

9 **Self-employment tax.** If line 7 is \$48,000, enter \$6,249.60. Otherwise, multiply the amount on line 7 by the decimal amount on line 8 and enter the result. Also enter this amount on Form 1040, line 48

## **Part II—Optional Method To Figure Net Earnings** (See "Who Can File Schedule SE" in the Instructions.)

See instructions for limitations. Generally, you may use this part only if

- A** Your gross farm income<sup>1</sup> was more than \$2,400 and your net farm profits<sup>2</sup> were less than \$1,600, or

- B** Your gross farm income<sup>1</sup> was more than \$1,600 and also less than two-thirds (⅔) of your gross nonfarm income<sup>4</sup>

**Note:** If line 2 above is two-thirds (⅔) or more of your gross nonfarm income<sup>4</sup>, or if line 2 is \$1,600 or more, you may **not** use the optional method. <sup>1</sup>From Schedule F (Form 1040), line 11 and Schedule K-1 (Form 1065), line 14b. <sup>2</sup>From Schedule C (Form 1040), line 30, and Schedule K-1 (Form 1065), line 14a. <sup>3</sup>From Schedule F (Form 1040), line 3c, and Schedule K-1 (Form 1065), line 14a. <sup>4</sup>From Schedule C (Form 1040), line 7, and Schedule K-1 (Form 1065), line 14c.

10 Maximum income for optional methods

11 **Farm Optional Method**—If you meet test A or B above, enter the **smaller** of two-thirds (⅔) of gross farm income from Schedule F (Form 1040), line 11, and farm partnerships, Schedule K-1 (Form 1065), line 14b, or \$1,600. Also enter this amount on line 3a above

12 Subtract line 11 from line 10. Enter the result

13 **Nonfarm Optional Method**—If you meet test C above, enter the **smallest** of two-thirds (⅔) of gross nonfarm income from Schedule C (Form 1040), line 7, and Schedule K-1 (Form 1065), line 14c, or \$1,600, or, if you elected the farm optional method, the amount on line 12. Also enter this amount on line 3b above

For Paperwork Reduction Act Notice, see Form 1040 Instructions.

Schedule SE (Form 1040) 1989

**Form**

**2441 Child and Dependent Care Expenses**

OMB No. 1545-0068  
1989  
Attorney General's Notice  
Sequence No. 23

Department of the Treasury  
Internal Revenue Service (b)

Name(s) shown on Form 1040

▶ Attach to Form 1040.  
▶ See separate Instructions.

Your social security number

If you are claiming the child and dependent care credit, complete Parts I and II below. But if you received employer-provided dependent care benefits, first complete Part III on the back.

If you are not claiming the credit but you received employer-provided dependent care benefits, only complete Part I, below, and Part III on the back.

# Part I Persons or Organizations Who Provided the Care—You must complete this part. (See the instructions if you need more space; attach a statement.)

(a) Name	(b) Address (number, street, city, state, and ZIP code)	(c) Identification number (SSN or EIN)	(d) Amount paid (see instructions)
1			

- Add the amounts in column (d) of line 1, and enter the total.  
**Note:** If you paid cash wages of \$50 or more in a calendar quarter to an individual for services performed in your home, you must file an employment tax return. Get Form 942 for details.

## Part II Credit for Child and Dependent Care Expenses

- Enter the number of qualifying persons who were cared for in 1989. (See the instructions for the definition of qualifying persons.) **Caution:** To qualify, the person(s) must have shared the same home with you in 1989.
- Enter the amount of qualified expenses you incurred and actually paid in 1989. You can't get the credit for expenses you received from an employer-provided dependent care benefit. **What Are Qualified Expenses?** In 1989, you received employer-provided dependent care benefits if you were paid for the care of another person(s). **Do not enter more than \$2,400 (\$4,800 if you paid for the care of two or more qualifying persons).**
- Enter the excluded benefits, if any, from line 21 on page 2.
- Subtract line 5 from line 4, and enter the result. If the result is zero or less, stop here; you cannot claim the credit.

- You must enter your earned income. (See the instructions for the definition of earned income.)
- If you are married filing a joint return, you must enter your spouse's earned income. (If your spouse was a full-time student or disabled, see the instructions for the amount to enter.)

- If you are married filing a joint return, compare the amounts on lines 7 and 8. Enter the smaller of the two amounts here.
- If you are married filing a joint return, compare the amounts on lines 6 and 9. Enter the smaller of the two amounts here.

- All others, compare the amounts on lines 6 and 7. Enter the smaller of the two amounts here.

- Enter the decimal amount from the table below that applies to the adjusted gross income on Form 1040, line 32.

If line 32 is:		If line 32 is:	
Over—	But not over—	Over—	But not over—
\$0—	10,000—	\$20,000—	22,000—
10,000—	20,000—	22,000—	24,000—
20,000—	30,000—	24,000—	26,000—
30,000—	40,000—	26,000—	28,000—
40,000—	50,000—	28,000—	30,000—
50,000—	60,000—	30,000—	32,000—
60,000—	70,000—	32,000—	34,000—
70,000—	80,000—	34,000—	36,000—
80,000—	90,000—	36,000—	38,000—
90,000—	100,000—	38,000—	40,000—
100,000—	110,000—	40,000—	42,000—
110,000—	120,000—	42,000—	44,000—
120,000—	130,000—	44,000—	46,000—
130,000—	140,000—	46,000—	48,000—
140,000—	150,000—	48,000—	50,000—
150,000—	160,000—	50,000—	52,000—
160,000—	170,000—	52,000—	54,000—
170,000—	180,000—	54,000—	56,000—
180,000—	190,000—	56,000—	58,000—
190,000—	200,000—	58,000—	60,000—
200,000—	210,000—	60,000—	62,000—
210,000—	220,000—	62,000—	64,000—
220,000—	230,000—	64,000—	66,000—
230,000—	240,000—	66,000—	68,000—
240,000—	250,000—	68,000—	70,000—
250,000—	260,000—	70,000—	72,000—
260,000—	270,000—	72,000—	74,000—
270,000—	280,000—	74,000—	76,000—
280,000—	290,000—	76,000—	78,000—
290,000—	300,000—	78,000—	80,000—
300,000—	310,000—	80,000—	82,000—
310,000—	320,000—	82,000—	84,000—
320,000—	330,000—	84,000—	86,000—
330,000—	340,000—	86,000—	88,000—
340,000—	350,000—	88,000—	90,000—
350,000—	360,000—	90,000—	92,000—
360,000—	370,000—	92,000—	94,000—
370,000—	380,000—	94,000—	96,000—
380,000—	390,000—	96,000—	98,000—
390,000—	400,000—	98,000—	100,000—
400,000—	410,000—	100,000—	102,000—
410,000—	420,000—	102,000—	104,000—
420,000—	430,000—	104,000—	106,000—
43			



**3800**Nonresident Alien's Form  
Individual Income Tax Return**General Business Credit**

- ▶ Attach to your tax return  
▶ See separate instructions

OMB No. 1545-0095

**1989**  
Attachment  
Sequence No. 24

Name of the taxpayer (or joint return) Identifying number

**Part I Tentative Credit**

- 1 Current year investment credit (Form 3468, Part I, line 6)
- 2 Current year jobs credit (Form 5884, line 4)
- 3 Current year credit for alcohol used as fuel (Form 6478, line 11)
- 4 Current year credit for increasing research activities (Form 6765, line 25)
- 5 Current year low income housing credit (Form 8586, line 6)
- 6 **Current year general business credit**—Add lines 1 through 5
- 7 Passive activity credits included on lines 1 through 5 (see instructions)
- 8 Subtract line 7 from line 6
- 9 Passive activity credits allowed in 1989 (see instructions)
- 10 Carryforward of general business credit, WIN credit or ESOPT credit to 1989 (see instructions)
- 11 Carryback of general business credit to 1989
- 12 Tentative general business credit—Add lines 8 through 11

**Part II General Business Credit Limitation Based on Amount of Tax**

- 13a Individuals—Enter amount from Form 1040, line 40
- b Corporations—Enter amount from Form 1120, Schedule J, line 3 (or Form 1120-A, Part I, line 1)
- c Other filers—Enter regular tax before credits from your return
- 14 Credits that reduce regular tax before the general business credit—
  - a Credit for child and dependent care expense (Form 2441)
  - b Credit for the elderly or the disabled (Schedule R, Form 1040)
  - c Foreign tax credit (Form 1116 or Form 1118)
  - d Possessions tax credit (Form 5735)
  - e Mortgage interest credit (Form 8396)
  - f Credit for fuel from a nonconventional source
  - g Orphan drug credit (Form 6765)
  - h Total credits that reduce regular tax before the general business credit. Add lines 14a through 14g and enter here.
- 15 Net regular tax—Subtract line 14h from line 13
- 16 Tentative minimum tax
  - a Individuals—Enter amount from Form 6251, line 17
  - b Corporations—Enter amount from Form 4626, line 13
  - c Estates and Trusts—Enter amount from Form 8656, Part III, line 10
- 17 Net income tax
  - a Individuals—Add line 15 above and line 19 of Form 6251. Enter the total
  - b Corporations—Add line 15 above and line 13 of Form 4626 less line 15 of Form 4626. Enter the total
  - c Other filers—See instructions
- 18 If line 15 is more than \$25,000, enter 25% of the excess
- 19 Subtract line 18 from line 17. Enter the result. If less than zero, enter zero
- 20 **General business credit**—Enter the smaller of line 12 or line 19. Also enter this amount on Form 1040, line 44, Form 1120, Schedule J, line 4e, Form 1120-A, Part I, line 2a, or on the appropriate line of your return. (Individuals, estates, and trusts see instructions if the credit for increasing research activities is claimed. Corporations see instructions if the investment credit is claimed or if you have undergone a post-1986 "ownership change.")

For Paperwork Reduction Act Notice, see page 1 of the separate instructions to this form.

Form 3800 (1989)

Form 3800 (1989)

**Schedule A Computation of Additional General Business Credit Allowed By Section 38(c)(2)—Only Applicable to C Corporations**

- 1 Enter the portion of the credit shown on line 12, page 1, that is attributable to the regular investment credit under section 46
- 2 Enter the amount from line 13, Form 4626
- 3 Multiply the amount on line 2 by 25% (.25)
- 4 Enter the amount from line 19, page 1
- 5 Enter the portion of the credit shown on line 12, page 1, that is NOT attributable to the regular investment credit under section 46
- 6 Subtract line 5 from line 4 (if less than zero, enter zero)
- 7 Subtract line 6 from line 1 (if less than zero, enter zero)
- 8 For purposes of this line only, recompute the amount on line 11, Form 4626, by using zero on line 7, Form 4626, and enter the result here
- 9 Multiply the amount on line 8 by 10% (.10)
- 10 Enter the amount from line 15, page 1
- 11 Subtract line 9 from line 10. Form 4626 and enter the result here
- 12 Add lines 10 and 11
- 13 Enter the amount from line 20, page 1
- 14 Subtract line 13 from line 12
- 15 Subtract line 9 from line 14
- 16 Enter the smallest of line 3, line 7, or line 15
- 17 Subtract line 16 from line 2
- 18 Enter the greater of line 17, above, or line 18, page 1
- 19 Subtract line 18, above, from line 17, page 1. DO NOT enter more than the amount on line 12, page 1
- 20 Enter the lesser of line 19, above, or line 15, page 1. Enter this amount also on line 20, page 1, instead of the amount previously computed on that line. Write "Sec. 38(c)(2)" in the margin next to your entry on line 20, page 1
- 21 If line 19, above, is greater than line 20, above, enter the excess here and on line 14, Form 4626



Form **8582** OMB No. 1545-1008  
**1989**  
 Department of the Treasury  
 Internal Revenue Service  
 Sequence No. 88

**Passive Activity Loss Limitations**  
 ▶ See separate instructions.  
 ▶ Attach to Form 1040 or Form 1041.

Identifying number \_\_\_\_\_

**Part I Computation of 1989 Passive Activity Loss**  
**Caution:** See the instructions for Worksheets 1 and 2 on pages 6 and 7 before completing Part I.

**Rental Real Estate Activities With Active Participation:** For the definition of active participation see Active Participation in a Rental Real Estate Activity in the instructions.)

**Activities acquired before 10-23-86 (Pre-enactment):**

1a	Activities with net income (from Worksheet 1, Part 1, column (a))	1a
1b	Activities with net loss (from Worksheet 1, Part 1, column (b))	1b
1c	Combine lines 1a and 1b	1c

**Activities acquired after 10-23-86 (Post-enactment):**

1d	Activities with net income (from Worksheet 1, Part 2, column (a))	1d
1e	Activities with net loss (from Worksheet 1, Part 2, column (b))	1e
1f	Combine lines 1d and 1e	1f
1g	Net income or (loss) Combine lines 1c and 1f	1g
1h	Prior year unallowed losses (from Worksheet 1, Parts 1 and 2, column (c))	1h
1i	Combine lines 1g and 1h	1i

**All Other Passive Activities**

**Activities acquired before 10-23-86 (Pre-enactment):**

2a	Activities with net income (from Worksheet 2, Part 1, column (a))	2a
2b	Activities with net loss (from Worksheet 2, Part 1, column (b))	2b
2c	Combine lines 2a and 2b	2c

**Activities acquired after 10-23-86 (Post-enactment):**

2d	Activities with net income (from Worksheet 2, Part 2, column (a))	2d
2e	Activities with net loss (from Worksheet 2, Part 2, column (b))	2e
2f	Combine lines 2d and 2e	2f
2g	Net income or (loss) Combine lines 2c and 2f	2g
2h	Prior year unallowed losses (from Worksheet 2, Parts 1 and 2, column (c))	2h
2i	Combine lines 2g and 2h	2i

**Part II Computation of the Special Allowance for Rental Real Estate With Active Participation**  
**Note:** Treat all numbers entered in Parts II and III as positive amounts. (See instructions on page 7 for examples.)

4	Enter the smaller of the loss on line 1i or the loss on line 3. If line 1i is 0 or net income, enter -0- and complete lines 5 through 9	4
5	Enter \$150,000. If married filing separately, see the instructions	5
6	Enter modified adjusted gross income, but not less than -0- (see instructions)	6
7	<b>Note:</b> If line 6 is equal to or greater than line 5, skip line 7, enter -0- on lines 8 and 9, and then go to line 10. Otherwise, go to line 7	7
8	Subtract line 6 from line 5	8
9	Multiply line 7 by 50% (5). Do not enter more than \$25,000. If married filing separately, see instructions	9
10	Enter the smaller of line 4 or line 8	10

**Part III Computation of Passive Activity Loss Allowed**

10	Combine lines 1c and 2c. If the result is net income or -0-, skip to line 16. (See instructions.)	10
11	If line 1c shows income, has no entry, or shows -0-, enter -0-. Otherwise, enter the smaller of line 1c or line 8	11
12	Subtract line 11 from line 10. If line 11 is equal to or greater than line 10, enter -0-.	12
13	Subtract line 9 from line 3	13
14	Enter the smaller of line 12 or line 13	14
15	Multiply line 14 by 20% (2) and enter the result	15
16	Enter the amount from line 9	16
17	<b>Passive activity loss allowed for 1989.</b> Add lines 15 and 16	17
18	Add the income, if any, on lines 1a, 1d, 2a, and 2d and enter the total	18
19	<b>Total losses allowed from all passive activities for 1989.</b> Add lines 17 and 18. See the instructions to find out how to report the losses on your tax return	19

For Paperwork Reduction Act Notice, see separate instructions.

Form **8582** (1989)

Form **6251** OMB No. 1545-0227  
**1989**  
 Department of the Treasury  
 Internal Revenue Service  
 Worksheet No. 32

**Alternative Minimum Tax—Individuals**  
 ▶ See separate instructions.  
 ▶ Attach to Form 1040 or Form 1040NR. Estates and trusts, use Form 8656.

Your social security number \_\_\_\_\_

1	Taxable income from Form 1040, line 37 (can be less than zero)	1
2	Net operating loss deduction, if any, from Form 1040, line 22 (Enter as a positive amount)	2
3	Add lines 1 and 2	3
4	<b>Adjustments:</b> (See instructions before completing.)	4
a	Standard deduction, if applicable, from Form 1040, line 34	4a
b	Personal exemption amount from Form 1040, line 35	4b
c	Medical and dental expense	4c
d	Miscellaneous itemized deductions from Schedule A (Form 1040), line 24	4d
e	Taxes from Schedule A (Form 1040), line 8	4e
f	Refund of taxes	4f
g	Personal interest from Schedule A (Form 1040), line 12b	4g
h	Other interest adjustments	4h
i	Combine lines 4a through 4h	4i
j	Depreciation of property placed in service after 1986	4j
k	Circulation and research and experimental expenditures paid or incurred after 1986	4k
l	Mining exploration and development costs paid or incurred after 1986	4l
m	Long-term contracts entered into after 2/28/85	4m
n	Pollution control facilities placed in service after 1986	4n
o	Installment sales of certain property	4o
p	Adjusted gain or loss	4p
q	Certain loss limitations	4q
r	Tax shelter farm loss	4r
s	Passive activity loss	4s
t	Beneficiaries of estates and trusts	4t
u	Combine lines 4i through 4t	4u
5	<b>Tax preference items:</b> (See instructions before completing.)	5
a	Appreciated property charitable deduction	5a
b	Tax-exempt interest from private activity bonds issued after 8/7/85	5b
c	Depletion	5c
d	Add lines 5a through 5c	5d
e	Accelerated depreciation of real property placed in service before 1987	5e
f	Accelerated depreciation of leased personal property placed in service before 1987	5f
g	Amortization of certified pollution control facilities placed in service before 1987	5g
h	Intangible drilling costs	5h
i	Add lines 5e through 5h	5i
6	Combine lines 3, 4i, 5d, and 5i	6
7	Alternative tax net operating loss deduction. (Do not enter more than 90% of line 6.) See instructions	7
8	Alternative minimum taxable income (subtract line 7 from line 6). If married filing a separate return, see instructions	8
9	Enter \$40,000 (\$20,000 if married filing separately, \$30,000 if single or head of household)	9
10	Enter \$150,000 (\$75,000 if married filing separately, \$112,500 if single or head of household)	10
11	Subtract line 10 from line 8. If the result is 0 or less, enter -0- here and on line 12 and go to line 13	11
12	Multiply line 11 by 25% (25)	12
13	Subtract line 12 from line 9. If the result is 0 or less, enter -0-. If completing this form for a child under age 14, see the instructions for the amount to enter on this line	13
14	Subtract line 13 from line 8. If the result is 0 or less, enter -0- here and on line 19	14
15	Multiply line 14 by 21% (21)	15
16	Alternative minimum tax foreign tax credit. See instructions	16
17	Tentative minimum tax (subtract line 16 from line 15)	17
18	Enter your tax from Form 1040, line 38, minus any foreign tax credit on Form 1040, line 43. If an amount is entered on line 39 of Form 1040, see instructions	18
19	<b>Alternative minimum tax</b> (subtract line 18 from line 17). Enter on Form 1040, line 49. If the result is -0- or less, enter -0-. If completing this form for a child under age 14, see the instructions for the amount to enter.	19

For Paperwork Reduction Act Notice, see separate instructions.

Form **6251** (1989)

## Worksheet 4—Allocation of Unallowed Losses (See Instructions on page 8.)

## Page 3

Worksheet 1—For Form 8582, Lines 1a, 1b, 1d, 1e, and 1h (See Instructions on page 6.)

## Worksheet 2—For Form 8582, Lines 2a, 2b, 2d, 2e, and 2h (See Instructions on page 7.)

Worksheet 2—For Form 8582, Lines 2a, 2b, 2d, 2e, and 2h (See Instructions on page 7.)

**Worksheet 3—Use this worksheet if an amount is shown on Form 8582, line 9 (See Instructions on page 8.)**

**Worksheet 3—Use this worksheet if an amount is shown on Form 8582, line 9 (See Instructions on page 8.)**

## Form 8582 (1989)

Worksheet 4—Allocation of Unallowed Losses (See Instructions on page 8.)

**Worksheet 5—Allowed Losses (See Instructions on page 8.)**

Worksheet 5—Allowed Losses (See Instructions on page 8.)

**Worksheet 6—Activities With Losses Reported on 2 or More Different Forms or Schedules (See Instructions on page 8.)**

**Worksheet 6—Activities With Losses Reported on 2 or More Different Forms or Schedules (See Instructions on page 8.)**

**Line 6.** Enter the taxable income shown on the tax return of the parent identified at the top of Form 8615. If the parent's taxable income is less than zero, enter zero on line 6.

If the parent filed a joint return, enter the total taxable income shown on that return even if the parent's spouse is not the child's parent.

**Caution:** If the parent transferred property to a trust which sold or exchanged the property during the year at a gain, include any gain that was taxed to the trust under Internal Revenue Code section 642 in the amount entered on line 6. Write "Section 642" on line 6. Also, see the **Caution** below line 10.

**Line 7.** If the individual identified as the parent on this Form 8615 is also identified as the parent on any other Form 8615, add the amounts, if any, from line 5 on each of the other Forms 8615 and enter the total on line 7.

**Lines 9, 15, and 17.** Figure the tax using the Tax Table or Tax Rate Schedules, whichever applies.

**Line 10.** Enter the tax shown on the tax return of the parent identified at the top of Form 8615. If the parent's taxable income, enter the tax shown on that return even if the parent's spouse is not the child's parent.

**Caution:** If line 6 includes any gain taxed to a trust under Internal Revenue Code section 642(a)(2)(A), to the tax shown on section 642(a)(2)(A) to the tax shown on the parent's return. Enter the total on line 10 instead of entering the tax from the parent's return. See section 642(a)(2)(A) on the cover of this form.

**Line 18.** Compare the amounts on lines 16 and 17 and enter the larger of the two amounts on line 18. Be sure to check the box for "Form 8615" on the appropriate line of the child's tax return even if the amount on line 17 is the larger of the two amounts.

**Amended Return.** If after the child's return is filed, the parent's taxable income is changed or the net investment income is changed, the child's tax must be recomputed. The child's tax is changed as a result of the adjustments. Use Form 1040X, Amended U.S. Individual Income Tax Return, to correct the child's tax.

**Alternative Minimum Tax.** A child whose tax is figured on Form 8615 may be subject to the alternative minimum tax. Get Form 6251, Alternative Minimum Tax—Individuals, to see if the child owes this tax.

**Incomplete Information for Parent.** If a parent or guardian of a child cannot obtain the tax return of the parent identified at the top of Form 8615 before the due date of the parent's return, reasonable estimates of the parent's return, reasonable estimates of the net investment income of the parent's other children may be made. The appropriate line of Form 8615 must be marked "Estimated." For more information, see Pub. 929.

**Line 1.** If the child had no earned income (defined below), enter zero on line 1. If the child had earned income, use the following worksheet to figure the amount to enter on line 1. However, if any of the following applies, use the worksheet in Pub. 929 instead of the one below to figure the amount to enter on Form 8615, line 1.

- The child files Form 2555, Foreign Earned Income.
- The child had a net loss from self-employment.
- The child claims a net operating loss deduction.

**Worksheet (keep for your records)**

1. Enter the amount from line 23 of Form 1040, line 11, or Form 1040NR, line 23.

2. Enter the child's earned income (defined below) plus any deduction the child claims on Form 1040, line 28, or Form 1040NR, line 27.

3. Subtract the amount on line 1 from the amount on line 2. Enter the result here and on Form 8615, line 1.

**Earned income** includes wages, tips, and other payments received for personal services performed. Generally, earned income includes income received from a spouse, parent, or guardian, or from a trust, estate, or partnership, if the income is derived from the performance of services. See Pub. 929.

**Line 2.** If the child itemized deductions on Schedule A (Form 1040) or Form 1040NR, enter on line 2 the greater of

- \$500 plus the portion of the amount on Schedule A (Form 1040), line 26 (or Schedule A (Form 1040NR), line 10), that is directly connected with the production of the investment income on Form 8615, line 1, OR
- \$1,000

• U.S. GPO: 1989 O 245 390

**Paperwork Reduction Act Notice.** We ask you to complete this form only if you are required to do so. We need the information you provide to ensure that we are complying with these laws and to allow us to figure and collect the right amount of tax. You are required to give us this information if you are required to complete and file this form. The estimated average time to complete this form is 13 minutes.

**Recordkeeping.** 13 minutes  
**Learning about the law or the form.** 11 minutes  
**Preparing the form.** 37 minutes

**Copying, assembling, and sending the form to IRS.** 17 minutes  
If you have comments concerning the accuracy of these time estimates or suggestions for making this form more useful, we would be happy to hear from you. You can write to either IRS or the Office of Management and Budget at the addresses listed in the instructions of the tax return for which this form is filed.

**Line-by-Line Instructions**  
We have provided specific instructions for most of the lines on the form. Those lines that do not appear in these instructions are self-explanatory.

**Parent's Name and Social Security Number.** If the child's parents were married to each other and filed a joint return, enter the name and social security number of the parent who is listed first on the joint return. For example, if the father's social security number is entered in the social security number field on the child's return, enter his name and social security number in the spaces provided on Form 8615.

If the parents were married but filed separate returns, enter the name and social security number of the parent who had the higher taxable income. If you do not know which parent had the higher taxable income, see Pub. 929.

If the parents were unmarried, treated as unmarried, or separated, enter the name and social security number of the parent who had custody of the child for most of the year (the custodial parent). Exception. If the custodial parent remarried and filed a joint return with his or her spouse, enter the name and social security number of the parent who is listed first on the joint return, even if that person is not the child's parent.

If the custodial parent and his or her spouse filed separate returns, enter the name and social security number of the person with the higher taxable income, even if that person is not the child's parent.

**8615**  
Attachment  
Sequence No. 33

## 8615 Computation of Tax for Children Under Age 14 Who Have Investment Income of More Than \$1,000

Department of the Treasury  
Internal Revenue Service

### General Instructions

**Purpose of Form.** For children under age 14, investment income (such as taxable interest and dividends) over \$1,000 is taxed at the parent's rate if the parent's rate is higher than the child's rate.

Do not use this form if the child's investment income is \$1,000 or less. If the child's investment income is more than \$1,000, use this form to see if any of the child's investment income is taxed at the parent's rate and, if so, to figure the child's taxable income.

**Child's Name.** Enter the child's name (first, initial, and last). **Caution.** See instructions on back before completing.)

**Parent's Name.** Enter the parent's name (first, initial, and last). **Caution.** See instructions on back before completing.)

**Parent's Social Security Number.** Enter the parent's social security number.

**Parent's Filing Status.** Enter the parent's filing status (check one). ☐ Single ☐ Married filing jointly. ☐ Head of household. ☐ Qualifying widow(er).

**Step 1. Figure child's net investment income.**

1. Enter the child's investment income (see the instructions) (If this amount is \$1,000 or less, stop here, do not file this form)

2. If the child DID NOT itemize deductions on Schedule A (Form 1040 or Form 1040NR), enter \$1,000. If the child ITEMIZED deductions, see the instructions

3. Subtract the amount on line 2 from the amount on line 1. Enter the result. (If zero or less, stop here, do not complete the rest of this form but ATTACH it to the child's return)

4. Enter the child's taxable income (Form 1040, line 37; Form 1040A, line 19; or Form 1040NR, line 35)

5. Compare the amounts on lines 3 and 4. Enter the smaller of the two amounts here

**Step 2. Figure tentative tax based on the tax rate of the parent listed above**

6. Enter the parent's taxable income (from Form 1040, line 37; Form 1040A, line 19; Form 1040EZ, line 5; or Form 1040NR, line 35). But if the parent transferred property to a trust, see the instructions

7. Enter the total, if any, of the net investment income from Forms 8615, line 5, of ALL OTHER children of the parent. (Do not include the amount on line 5 above.)

8. Add the amounts on lines 6, 7, and 8. Enter the total

9. Tax on the amount on line 8 based on the parent's filing status

10. Enter the parent's tax (from Form 1040, line 38; Form 1040A, line 20; Form 1040EZ, line 7; or Form 1040NR, line 36)

11. Subtract the amount on line 10 from the amount on line 9. Enter the result. (If no amount is entered on line 7, enter the amount from line 11 on line 13; skip lines 12a and 12b)

12a. Add the amounts on lines 5 and 7. Enter the total

12b. Multiply the amount on line 11 by the amount on line 12a. Enter the result as a decimal (rounded to two places)

**Step 3. Figure child's tax**

Note: If the amounts on lines 4 and 5 are the same, skip to line 16

14. Subtract the amount on line 5 from the amount on line 4. Enter the result

15. Tax on the amount on line 14 based on the child's filing status

16. Add the amounts on lines 13 and 15. Enter the total

17. Tax on the amount on line 4 based on the child's filing status

18. Compare the amounts on lines 16 and 17. Enter the larger of the two amounts here and on Form 1040, line 38; Form 1040A, line 20; or Form 1040NR, line 36. Be sure to check the box for "Form 8615"

For Paperwork Reduction Act Notice, see back of form.

Form 8615 (1989)

**Form 8801** **Credit For Prior Year Minimum Tax** **OMB No. 1545-1073**

Department of the Treasury  
Internal Revenue Service  
Name(s) shown on return

**1989**  
Attachment  
Schedule No. 74

Identifying number

**Part I Computation of Net Minimum Tax on Exclusion Items**

- 1 Enter taxable income (loss) from line 3 of your 1988 Form 6251, or line 1 of your 1988 Form 4626
- 2 Enter adjustments and tax preference items treated as exclusion items. See instructions
- 3 **Minimum tax credit net operating loss deduction.** See instructions
- 4 Combine lines 1 through 3. If the result is -0- or less, enter -0-. Here and on line 15, and see the instructions. Otherwise, go to line 5
- 5 Exemption amount. Enter amount from line 9 of your 1988 Form 6251, or line 9a of your 1988 Form 4626. Form 8656 filers, enter \$20,000
- 6 Phase-out of exemption. Enter amount from line 10 of your 1988 Form 6251, or line 9b of your 1988 Form 4626. Form 8656 filers, enter \$75,000
- 7 Subtract line 6 from line 4. If the result is -0- or less, enter -0-. Here and on line 8 and go to line 9. Otherwise, go to line 8
- 8 Multiply line 7 by 25% (25) and enter the result
- 9 Subtract line 8 from line 5. If the result is -0- or less, enter -0-
- 10 Subtract line 9 from line 4. If the result is -0- or less, enter -0-. Here and on line 15, and see the instructions for line 10
- 11 Form 6251 and Form 8656 filers, multiply line 10 by 21% (21). Form 4626 filers, multiply line 10 by 20% (20)
- 12 **Minimum tax foreign tax credit on exclusion items.** See instructions
- 13 **Tentative minimum tax on exclusion items.** Subtract line 12 from line 11
- 14 Enter the amount from line 18 of your 1988 Form 6251, line 15 of your 1988 Form 4626, or line 11c, Part III, of your 1988 Form 8656
- 15 **Net minimum tax on exclusion items.** Subtract line 14 from line 13. If the result is -0- or less, enter -0-

**Part II Computation of Allowable Minimum Tax Credit**

- 16 Enter amount from line 19 of your 1988 Form 6251, the sum of lines 14 and 16 of your 1988 Form 4626, or line 12, Part III, of your 1988 Form 8656
- 17 Enter amount from line 15 above
- 18 Subtract line 17 from line 16. If line 17 is greater than line 16, enter the result as a negative amount
- 19 **Carryforward of minimum tax credit from 1988.** Enter amount from line 26 of your 1988 Form 8801. See the instructions
- 20 Enter your 1988 unallowed credit for producing fuel from a nonconventional source. See the instructions
- 21 Combine lines 18, 19, and 20. If the result is -0- or less, stop here and do not complete the rest of the form. Otherwise, go to line 22
- 22 Enter your 1989 regular income tax liability minus allowable tax credits. See the instructions
- 23 Enter the amount from line 17 of your 1989 Form 6251, line 13 of your 1989 Form 4626, or line 10, Part III, of your 1989 Form 8656
- 24 Subtract line 23 from line 22. If the result is -0- or less, enter -0-
- 25 **Allowable minimum tax credit.** Enter the smaller of line 21 or line 24. Also enter this amount on the appropriate line of your 1989 tax return (see instructions)

**Part III Computation of Minimum Tax Credit Carryforward to 1990**

- 26 Enter amount from line 21 above
- 27 Enter amount from line 25 above
- 28 **Carryforward of minimum tax credit to 1990.** Subtract line 27 from line 26. See the instructions

**General Instructions**  
(Section references are to the Internal Revenue code)

**Recordkeeping.** 1 hr., 33 min.  
Learning about the law or the form 1 hr., 6 min.  
Preparing the form 1 hr., 3 min.  
Completing and sending the form to IRS 17 min.

**Paperwork Reduction Act Notice.**—We ask for this information to carry out the Internal Revenue laws of the United States. We need it to ensure that taxpayers are complying with these laws and to figure and collect the right amount of tax. You are not required to give us this information.

The time needed to complete and file this form will vary depending on individual circumstances. The estimated average time is:

**Who Should File**  
Form 8801 should be completed by individuals, corporations, trusts, and estates that:

- had adjustment and tax preference items in 1988; or
- had a minimum tax credit carryforward from 1988 to 1989; or
- had a minimum tax credit carryforward from 1988 to 1989; or

Form 8801 (1989)

• had a 1987 unallowed nonconventional source fuel credit (see instructions for line 19 of this form); or

• had a 1988 unallowed nonconventional source fuel credit (see instructions for line 20 of this form).

**Recordkeeping.**—Use Form 8801 each year to track if you have a minimum tax credit and to keep track of years (beginning after 1986) in which you can use it. See instructions for line 19 of this form.

### Line-by-Line Instructions

The alternative minimum tax is attributable to two types of adjustments and tax preference items—those called “exclusion items” and those called “deferral items.” The minimum tax credit is attributable to deferral items. An exclusion item is a tax preference item that does not cause a permanent difference in taxable income over a number of years. An example is depreciation. A deferral item is a tax preference item that causes a permanent difference in taxable income. An example of an item that will cause a permanent difference is a personal exemption.

**Line 1.—Form 1041 Filers.**—Add any net operating loss deduction on line 15 of (line 1988 Form 1041) and enter the result on line 1 of this form. However, in figuring the taxable income on line 22 of the 1988 Form 1041 for this purpose, you must recompute the income tax liability on line 22 of the 1988 Form 1041 on a minimum tax basis excluding deferral items. To do so, complete Part II of the 1988 Form 8656 without including deferral items (generally lines 3 and 4 of 1988 Form 8656). Enter the result on line 14 of the 1988 Form 8656.

**Line 2.—**Enter on this line the adjustments and tax preference items treated as exclusions. Exclusion items are your AMT adjustments and personal exemptions, estate or other exemption, interest expense reported on Schedule E, the deduction for charitable contributions of appreciated property, certain tax-exempt interest, depletion, and in the case of certain individuals, the adjustment under section 83(b).

**Individuals.**—Combine lines 4 and 5d of your 1988 Form 6251 and enter the result on line 2 of this form.

**Corporations.**—Combine lines 21 and 3d of the corporation's Form 4626 and enter the result on line 2 of this form.

**Estates and trusts.**—Combine lines 4a and 5d of the 1988 Form 8656 and line 20 of the 1988 Form 1041, and enter the result on line 2 of this form.

**Note.** If you included any of the exclusion items on a line other than those listed above, you must include them on line 2 of this form. For example, if depletion was included on Form 6251 as an adjustment on line 4s (passive activity loss) instead of on line 5c (depletion), include it as an exclusion item when figuring the amount for line 2.

**Line 19.**—If line 16 of your 1988 Form 8801 exceeds line 15 of that form, and you also had a 1987 unallowed credit that was disallowed solely because of the limitation under section 29(a)(5)(B), make the following computation.

Add line 15 of your 1988 Form 8801 to your 1987 unallowed nonconventional source fuel credit. Enter the result on line 19 of this form. If there is no excess, enter zero (-0-) on line 19 of this form.

**Line 20.**—Enter the unused portion of your 1988 credit for producing fuel from a nonconventional source that was disallowed solely because of the limitation under section 29(a)(5)(B).

**Line 21.**—If line 21 is zero or a negative amount, you do not have a minimum tax credit or a minimum tax credit carryforward. Do not complete the rest of the form.

**Line 22.**—Enter the amount shown on line 22 of your 1989 income tax return to figure the amount to enter on line 22.

**Form 1040 Filers.**—Subtract from the amount on line 40 the total of any credits shown on lines 41 through 44 and any written credits on line 46. Enter the result on line 22 of this form.

**Form 1040NR Filers.**—Subtract from the amount on line 38 the total of any credits shown on lines 39 through 41 and any written credits on line 43. Enter the result on line 22 of this form.

**Form 1041 Filers.**—Subtract the total of any credits shown on lines 2a through 2c of Schedule G from the amount on line 22 of this form. Enter the result on line 22 of this form.

**Form 1120 Filers.**—Subtract from the amount on line 4a through 4c of Schedule J the amount on line 3 of Schedule J. Enter the result on line 22 of this form.

**Form 1120A Filers.**—Subtract the amount shown on line 2a of Part I from the amount on line 1 of Part I. Enter the result on line 22 of this form.

**Form 1120A Filers.**—Enter the minimum tax credit on line 42.

**Form 1040NR Filers.**—Enter the minimum tax credit on line 42.

**Form 1041 Filers.**—Enter the minimum tax credit on line 20 of Schedule G.

**Form 1120 Filers.**—Enter the minimum tax credit on line 41 of Schedule J.

**Form 1120A Filers.**—Enter the minimum tax credit on line 20 of Part I.

**All Other Filers.**—Enter the minimum tax credit on the line provided on the tax return you file on the line provided on the tax return you file.

**Note.** Section 383 may limit the amount of tax of a corporation for any tax year ending after a post-1986 ownership change that may be offset by pre-change minimum tax credits. This allowable minimum tax credit, enter that amount on line 25, and write “Sec. 383” on the dotted line to the left of line 25.

**Line 28.—Carryforward of minimum tax credit.**—Keep a record of this credit because it can be carried forward and used in future years.

## Form 8814

## Parent's Election To Report Child's Interest and Dividends

Department of the Treasury  
Internal Revenue Service

OMB No. 1545-1128

1989  
Attachment  
Sequence 40

## General Instructions

## Purpose of Form.—Use this form if you

are a parent and choose to report on Form 8814 the child's interest and dividends from the 1989 return. AND

You can file this form only if your child was under age 14 on January 1, 1990;

had income only from interest and dividends (including Alaska Permanent Fund dividends);

had gross income for 1989 that was more than \$500 but less than \$5,000;

Had no estimated tax payments for 1989;

Did not have any overpayment of tax shown on his or her 1988 return applied to the 1989 return. AND

Had no Federal income tax withheld from his or her income (backpay withholding).

The parent(s) must also qualify as explained on page 2 of these instructions.

Step 1 is used to figure the amount of the child's income to report on the parent's return. Step 2 is used to figure an additional tax that must be added to the parent's tax.

**Caution:** The Federal income tax on your child's income may be less if you file a tax return for the child instead of making this election. This is because you cannot take certain deductions that you can take on the child's return. For details, see **Deductions You May Not Take** on page 2.

(Instructions continue on back.)

**Your social security number**

**Child's social security number**

**Child's name (last, first, and last)**

**Caution.** If more than one Form 8814 is attached, check here ☐

**Step 1 Figure amount of child's interest and dividend income to report on your return**

**1a** Enter your child's taxable interest income from child's Forms 1099-INT and 1099-DIV, see the instructions

**1b** Enter your child's tax-exempt interest income. Do NOT include this amount on line 1a

**2a** Enter your child's gross dividends (including any Alaska Permanent Fund dividends). If none, enter zero on line 2c and go to line 3. If your child received any capital gain distributions or dividends as a nominee, see the instructions

**2b** Enter your child's nontaxable distributions (from Form 1099-DIV, Box 10) included on line 2a

**3** Subtract line 2b from line 2a. Enter the result

**4** Add lines 1a and 2c. Enter the total. If the total is \$1,000 or less, skip lines 4 and 5 and go to line 6. If the total is \$5,000 or more, do not file this form. Your child must file his or her own return to report the income

**5** Base amount

**6** Subtract line 4 from line 3. Enter the result (If filing more than one Form 8814, see the instructions.) Also include this amount in the total on Form 1040, line 22, or Form 1040NR, line 22 in the space next to line 22, write "Form 8814," and show the amount. Go on to line 6

**7** Enter the result. If the result is zero or less, enter zero

**8** Tax. If the amount on line 7 is \$500 or more, enter \$75 here. (Also, see the Note below for where to enter it on your tax return.)

If the amount on line 7 is less than \$500, multiply the amount on line 7 by 15% (15). Enter the result here. (Also, see the Note below for where to enter it on your tax return.)

**Note:** Include the amount from line 8 in the tax you enter on Form 1040, line 38, or Form 1040NR, line 36. On Form 1040, also enter the amount from line 8 in the space provided next to line 38. On Form 1040NR, write the amount from line 8 and "Form 8814" on the dotted line next to line 36 (If filing more than one Form 8814, see the instructions.)

**Step 2 Figure your tax on the first \$1,000 of child's interest and dividend income**

**6** Amount not taxed

**7** Subtract line 6 from line 3. Enter the result. If the result is zero or less, enter zero

**8** Tax. If the amount on line 7 is \$500 or more, enter \$75 here. (Also, see the Note below for where to enter it on your tax return.)

If the amount on line 7 is less than \$500, multiply the amount on line 7 by 15% (15). Enter the result here. (Also, see the Note below for where to enter it on your tax return.)

**Note:** Include the amount from line 8 in the tax you enter on Form 1040, line 38, or Form 1040NR, line 36. On Form 1040, also enter the amount from line 8 in the space provided next to line 38. On Form 1040NR, write the amount from line 8 and "Form 8814" on the dotted line next to line 36 (If filing more than one Form 8814, see the instructions.)

For Paperwork Reduction Act Notice, see back of form.

Form 8814 (1989)

Form 8814 (1989)

General Instructions  
(continued)

## Parents Who Qualify To Make the Election.—If you qualify to make this election, you must file Form 1040 or Form 1040NR and any of the following applies to you:

• You and the child's other parent were married to each other and you are filing a joint return for 1989.

• You and the child's other parent were married to each other but you file separate returns for 1989 AND you had the higher taxable income. (If you do not know if you had the higher taxable income, get Pub 929, Tax Rules for Children and Dependents.)

• You were unmarried, treated as unmarried for Federal income tax purposes, and you had custody of the child's parent by divorce or separate maintenance decree. You must have had custody of your child for most of the year (you were the custodial parent). If you were the custodial parent and you remarried, you may make the election on a joint return with your new spouse. But if you and your new spouse (your child's stepfather or stepmother) are married, you must make the election only if you had higher taxable income than your new spouse.

**Deductions You May Not Take.**—If you elect to report your child's income on your return, you may not reduce that income by any of the following deductions that your child would be entitled to on his or her own return:

• Standard deduction of \$1,250 for a blind child.

• Penalty on early withdrawal of child's savings.

• Itemized deductions (such as child's investment expenses or charitable contributions).

If any of the above applies to your child, you should figure the tax on the child's income on his or her own return. If you elect to report the income on your return to find out which results in the lowest amount of tax.

**How To Make the Election.**—To make the election, complete and attach Form 8814 to your tax return and file your return by the due date (including extensions).

**Additional Information.**—For more information about the election, get Pub 929.

## Line-by-Line Instructions

**Parent's Name and Social Security Number.**—Enter the name(s) shown on your return. If filing a joint return, enter the social security number of the person whose name is shown first on the return.

**Line 1a.**—Enter ALL taxable interest income received by your child in 1989. If your child received a Form 1099-INT for bonds, write the amount and "Tax-exempt interest" on the dotted line next to line 1a. Be sure to include this interest on line 1b but do not include it in the total for line 1a.

If your child received, as a nominee, interest that actually belongs to another person, write the amount and "NO" (for nominee distribution) on the dotted line next to line 1a. Do not include amounts received as a nominee in the total for line 1a.

If your child had accrued interest on a bond premium (ABP) allowed as a reduction to interest income, or if any original issue discount (OID) included on line 1a is less than the amount shown on your child's Form 1099-DIV, follow the instructions above for nominee interest to see how to report the nontaxable amounts. But, on the dotted line next to line 1a, write "Accrued interest," "ABP adjustment," or "OID adjustment," whichever applies. Do not include any nontaxable amounts in the total for line 1a.

**Line 1b.**—If your child received any tax-exempt interest income, such as interest on certain state and municipal bonds, enter the total tax-exempt interest on line 1b. Also include any exempt-interest dividends your child received as a shareholder in a mutual fund or other investment company. Do not include this interest on lines 1a or 3.

**Note:** If line 1b includes tax-exempt interest (or exempt-interest dividends paid by a regulated investment company) from private activity bonds, see **Alternative Minimum Tax**, on this page.

**Line 2a.**—Enter gross dividends received by your child in 1989, including capital gain distributions and nontaxable distributions. Form 1099-DIV shows gross dividends in Box 1a. Also include any dividends your child received from a mutual fund, a trust, a corporation, or an estate or trust.

If your child received, as a nominee, dividends that actually belong to another person, write the amount and "NO" (for nominee distribution) on the dotted line next to line 2a. Do not include amounts received as a nominee in the total for line 2a.

**Line 2b.**—Enter any capital gain distributions (from Form 1099-DIV, Box 1c), and you have gains or losses to report on Schedule D, part of all of your child's reported capital gains and losses on Form 8814, line 5. Before you enter an amount on line 5, see Pub 929 for details on how to figure the amount to report on your Schedule D.

**Line 5.**—If you are filing more than one Form 8814, add the amounts from line 5 of ALL your Forms 8814 and include the total on Form 1040, line 22 (or Form 1040NR, line 22).

Be sure to write "Form 8814" and show the total of the line 5 amounts in the space next to line 22 on your return.

**Line 8.**—If you are filing more than one Form 8814, add the amounts from line 8 of ALL your Forms 8814 and include the total on Form 1040, line 38 (or Form 1040NR, line 36).

On Form 1040, be sure to enter the total of the line 8 amounts in the space provided next to line 38. On Form 1040NR, be sure to write "Form 8814" and the total of the line 8 amounts on the dotted line next to line 36.

**Alternative Minimum Tax.**—If your child received any tax-exempt interest (or dividends) from a regulated investment company (or certain private activity bonds, you must take this into account in determining if you owe the alternative minimum tax. Get Form 6251, Alternative Minimum Tax—Individuals, and its instructions for more information.

**Foreign Accounts and Foreign Trusts.**—If your child had a foreign financial account or was the grantor of a foreign trust (or both), Part III of Schedule B (Form 1040) would have to be completed and attached to the child's return if he or she was filing a return. If Part III of Schedule B had been completed for your child, would either the question on line 10a or line 11 have been answered "Yes"? If so, you must have been answered "Yes" to the question on line 8 with your return and attached to the child's return. See the instructions for line 10b if applicable. Write "Form 8814" on the dotted line next to line 10a or line 11, whichever applies, on your Schedule B.

**Paperwork Reduction Act Notice.**—We ask for this information to carry out the Internal Revenue laws of the United States. We need it to ensure that taxpayers are complying with these laws and to figure and collect the right amount of tax. You are required to give us this information.

The time needed to complete and file this form will vary depending on your individual circumstances. The estimated average time is:

**Recordkeeping** 20 minutes

**Learning about the law or the form** 8 minutes

**Preparing the form** 16 minutes

**Copying, assembling, and sending the form to IRS** 35 minutes

If you have comments concerning the accuracy of these time estimates or suggestions for making this form more simple, we would be happy to hear from you. Write to the IRS, Office of Management and Budget at the addresses listed in the instructions of the tax return with which this form is filed.

U.S. GOVERNMENT PRINTING OFFICE: 1989



References in the index are either to table or page numbers. Table references appear in the form "X.X" (for example 1.1, 3.2, etc.) or a capital letter (for example A, B, etc.), and page numbers are preceded by the letters pg.

## A

### Additional standard deduction

(See also Basic and standard deductions)

Classified by:	
Marital status	1.3
Size of adjusted gross income	1.4
Description	pg 74
Reported on Form 1040A returns	1.6

### Adjusted gross income less deficit

Classified by:	
Marital status	1.3
Size of adjusted gross income	1.4
Size of cumulated adjusted gross income	1.1
Type and number of exemptions	2.3
Definition	pg 59
Reported on:	
Form 1040A returns	1.6
Form 1040EZ returns	1.5
Returns with modified taxable income	3.1
Classified by marginal tax rate	3.4
Returns with itemized deductions	2.1
Classified by marital status	2.2
Returns with total income tax	3.2
Time series, 1975-1989	A

### Adjustments

(See Statutory adjustments)

### Advance earned income credit payments

Definition	pg 60
------------	-------

### Alimony paid

Classified by:	
Marital status	1.3
Size of adjusted gross income	1.4
Definition	pg 60
Reported on returns with itemized deductions classified by marital status	2.2

### Alimony received

Classified by:	
Marital status	1.3
Size of adjusted gross income	1.4
Definition	pg 60
Reported on:	
Returns with itemized deductions	2.1
Classified by marital status	2.2

### All other taxes

Classified by:	
Size of adjusted gross income	3.3
Definition	pg 60

### All other tax payments

Classified by:	
Size of adjusted gross income	1.4
Definition	pg 60

### Alternative minimum tax

Classified by:	
Marital status	1.3
Size of adjusted gross income	1.4, 3.3
Definition	pg 61
Reported on:	
Returns with modified taxable income	3.1
Returns with itemized deductions	2.1
Classified by marital status	2.2

### Alternative minimum taxable income

(See Alternative minimum tax)

## B

### Basic standard deduction

(See also Additional and standard deductions)

Classified by:	
Marital status	1.3
Size of adjusted gross income	1.4
Description	pg 74
Reported on Form 1040A returns.	1.6

### Business or profession net income or loss

Classified by:	
Marital status	1.3
Size of adjusted gross income	1.4
1979 income concept	B

Definition .....	pg 61
Reported on:	
Returns with itemized deductions .....	2.1
Classified by marital status .....	2.2
Time series, 1975-1989 .....	A

## C

### Capital assets

(See Sales of capital assets reported on  
Schedule D)

### Capital gains and losses

(See also Sales of capital assets reported on  
Schedule D)

### Capital gain distribution reported on

#### Form 1040

Classified by:	
Size of adjusted gross income .....	1.4
Definition .....	pg 61

### Cash contributions deduction

(See Contributions deduction)

### Casualty or theft loss deduction

Classified by marital status .....	1.3
Definition .....	pg 62
Reported on:	
Returns with itemized deductions .....	2.1
Classified by marital status .....	2.2

### Child care credit

Change in law .....	pg 4
---------------------	------

Classified by:

Marital status .....	1.3
Size of adjusted gross income .....	1.4, 3.3
Definition .....	pg 62

Reported on:

Form 1040A returns .....	1.6
Returns with itemized deductions	
classified by marital status .....	2.2
Time series, 1975-1989 .....	A

### Children at home exemption

(See Exemptions)

### Children away from home exemption

(See Exemptions)

### Contributions carryover

(See Contributions deduction)

### Contributions deduction

Classified by marital status .....	1.3
Definition .....	pg 62
Reported on:	
Returns with itemized deductions .....	2.1
Classified by marital status .....	2.2
Time series, 1975-1989 .....	A
Type of contribution .....	2.1

### Credit for federal tax on gasoline and special fuels

Classified by:	
Size of adjusted gross income .....	3.3

Definition .....	pg 62
------------------	-------

### Credit for the elderly or disabled

Classified by:

Marital status .....	1.3
Size of adjusted gross income .....	1.4, 3.3
Definition .....	pg 62
Reported on returns with itemized	
deductions classified by marital status .....	2.2
Time series, 1975-1989 .....	A

### Credit from regulated investment companies

Classified by:

Size of adjusted gross income .....	3.3
Definition .....	pg 63

### Credit to 1990 estimated tax

(See also Overpayment refunded)

Definition .....	pg 63
------------------	-------

## D

### Deductible Points

(See also Interest paid deductions)

Reported on returns with itemized	
deductions .....	2.1

### Dependent exemptions

(See Exemptions)

### Description of the sample

Method of estimation .....	pg 14
Processing and management	
of the sample .....	pg 14
Sample design and selection criteria .....	pg 13
Sample redesign .....	pg 16
Sample selection .....	pg 13
Table presentation .....	pg 14

### Dividends

Classified by:

Marital status .....	1.3
Size of adjusted gross income .....	1.4
1979 income concept .....	B
Definition .....	pg 63
Reported on:	
Form 1040A returns .....	1.6
Returns with itemized deductions .....	2.1
Classified by marital status .....	2.2
Time series, 1975-1989 .....	A

## E

### Earned income credit

Change in law .....	pg 4
Definition .....	pg 63
Refundable portion classified by size	
of adjusted gross income .....	1.4, 3.3
Used to offset income tax before credits:	
Classified by:	
Marital status .....	1.3



Size of adjusted gross income . . . . .	1.4, 3.3	Definition . . . . .	pg 65
Reported on:		Reported on:	
Form 1040A returns . . . . .	1.6	Returns with itemized deductions . . . . .	2.1
Returns with itemized deductions		Classified by marital status . . . . .	2.2
classified by marital status . . . . .	2.2	Time series, 1975-1989 . . . . .	A
Used to offset other taxes . . . . .	3.3	<b>Farm rental income or loss</b>	
<b>Employee business expense</b>		Classified by:	
(See also Unreimbursed employee business		Marital status . . . . .	1.3
expenses)		Size of adjusted gross income . . . . .	1.4
Change in law . . . . .	pg 5	Definition . . . . .	pg 65
Classified by:		Reported on:	
Marital status . . . . .	1.3	Returns with itemized deductions . . . . .	2.1
Size of adjusted gross income . . . . .	1.4	Classified by marital status . . . . .	2.2
Definition . . . . .	pg 63	<b>Filing requirements</b>	
Reported on:		For children and other dependents . . . . .	pg 4
Returns with itemized deductions		For most people . . . . .	pg 3
classified by marital status . . . . .	2.2	Description . . . . .	pg 1
<b>Estate or trust net income or loss</b>		<b>Filing status</b>	
Classified by:		(See Marital filing status)	
Marital status . . . . .	1.3	<b>Foreign earned income exclusion</b>	
Size of adjusted gross income . . . . .	1.4	Classified by:	
1979 income concept . . . . .	B	Size of adjusted gross income . . . . .	1.4
Definition . . . . .	pg 64	Definition . . . . .	pg 65
Reported on:		Reported on returns with itemized	
Returns with itemized deductions . . . . .	2.1	deductions . . . . .	2.1
Classified by marital status . . . . .	2.2	<b>Foreign tax credit</b>	
<b>Estimated tax payments</b>		Classified by:	
Classified by:		Marital status . . . . .	1.3
Marital status . . . . .	1.3	Size of adjusted gross income . . . . .	1.4, 3.3
Size of adjusted gross income . . . . .	1.4, 3.3	Definition . . . . .	pg 65
Definition . . . . .	pg 64	Reported on:	
Reported on returns with itemized		Returns with itemized deductions	
deductions classified by marital status . . . . .	2.2	classified by marital status . . . . .	2.2
<b>Excess social security taxes withheld</b>		Time series, 1975-1989 . . . . .	A
Classified by:		<b>Forfeited interest penalty adjustment</b>	
Size of adjusted gross income . . . . .	3.3	Classified by:	
Definition . . . . .	pg 64	Size of adjusted gross income . . . . .	1.4
<b>Exemptions</b>		Definition . . . . .	pg 65
Change in law . . . . .	pg 5	<b>Form 1040 returns</b>	
Classified by:		Classified by:	
Marital status . . . . .	2.4	Size of adjusted gross income . . . . .	1.4
Size of adjusted gross income . . . . .	1.4	Time series, 1975-1989 . . . . .	A
Type of exemption . . . . .	2.3	<b>Form 1040A returns</b>	
Definition . . . . .	pg 64	Classified by:	
Reported on:		Size of adjusted gross income . . . . .	1.6
Form 1040A returns . . . . .	1.6	Time series, 1975-1989 . . . . .	A
Form 1040EZ returns . . . . .	1.5	<b>Form 1040EZ returns</b>	
Returns with itemized deductions . . . . .	2.1	Classified by:	
Time series, 1975-1989 . . . . .	A	Size of adjusted gross income . . . . .	1.5
		Time series, 1975-1989 . . . . .	A
		<b>Forms and instructions</b>	
		Form 1040 . . . . .	pg 80
		Form 1040A . . . . .	pg 111
		Form 1040EZ . . . . .	pg 113
		Form 2441 . . . . .	pg 121
		Form 3800 . . . . .	pg 122
		Form 6251 . . . . .	pg 123

## F

### Farm net income or loss

Classified by:	
Marital status . . . . .	1.3
Size of adjusted gross income . . . . .	1.4

Form 8582	pg 123
Form 8615	pg 125
Form 8801	pg 126
Form 8814	pg 127
Schedules A & B	pg 114
Schedule C	pg 115
Schedule D	pg 116
Schedule E	pg 117
Schedule F	pg 118
Schedule R	pg 119
Schedule SE	pg 120

## G

### General business credit

Classified by:	
Marital status	1.3
Size of adjusted gross income	1.4, 3.3
Definition	pg 65
Reported on returns with itemized deductions classified by marital status	
	2.2

## H

### Heads of households, returns of

(See also Marital filing status)

Classified by size of adjusted gross income	1.2
---	-----

### Home mortgage interest deduction

(See Interest paid deduction)

## I

### Income subject to tax

(See Modified taxable income)

### Income tax after credits

Classified by:	
Marginal tax rate	3.4
Marital status	1.3
Size of adjusted gross income	1.4, 3.3
Size of cumulated adjusted gross income	1.1
Definition	pg 66
Reported on:	
Form 1040A returns	1.6
Returns with modified taxable income	3.1
Returns with itemized deductions	2.1
Classified by marital status	2.2
Time series, 1975-1989	A

### Income tax before credits

Classified by:

Size of adjusted gross income	1.4
Definition	pg 66
Reported on:	
Returns with modified taxable income	3.1
Returns with itemized deductions	2.1
Time series, 1975-1989	A

### Income tax withheld

Classified by:

Marital status	1.3
Size of adjusted gross income	1.4, 3.3
Definition	pg 66
Reported on:	
Form 1040A returns	1.6
Form 1040EZ returns	1.5
Returns with itemized deductions	
classified by marital status	2.2

### Individual retirement arrangement (IRA) deductible payments, adjustment

(See also Primary and secondary IRA payments)

Classified by:

Size of adjusted gross income	1.4
Definition	pg 66
Time series, 1975-1989	A

### Individual retirement arrangement (IRA) taxable distributions

Classified by:

Marital status	1.3
Size of adjusted gross income	1.4
Definition	pg 67
Reported on:	
Returns with itemized deductions	2.1
Classified by marital status	2.2
Time series, 1975-1989	A

### Interest paid deduction

Change in law	pg 5
Classified by marital status	1.3
Definition	pg 67
Reported on:	
Returns with itemized deductions	2.1
Classified by marital status	2.2
Time series, 1975-1989	A
Type of interest paid deduction	2.1

### Interest received

(See Taxable interest received)

### Interest, tax-exempt

(See Tax-exempt interest)

### Investment interest paid

(See Interest paid deduction)

**Itemized deductions**

(See Total itemized deductions and also specific type)

**J****Joint returns of husbands and wives**

(See also Marital filing status)

Classified by:

Size of adjusted gross income . . . . . 1.2

Sources of income . . . . . 1.3

Reported on returns with total

income tax . . . . . 3.2

**M****Marginal tax rates**

(See also Tax generated)

Change in law . . . . . pg 6

Definition . . . . . pg 67

Reported on returns with modified  
taxable income . . . . . 3.4**Marital filing status**

Classified by:

Marginal tax rate . . . . . 3.4

Size of adjusted gross income . . . . . 1.2

Sources of income . . . . . 1.3

Definition . . . . . pg 67

Reported on returns with itemized

deductions . . . . . 2.2

Type of exemption . . . . . 2.4

**Medical and dental expense deduction**

Classified by marital status . . . . . 1.3

Definition . . . . . pg 68

Reported on:

Returns with itemized deductions . . . . . 2.1

Classified by marital status . . . . . 2.2

Time series, 1975-1989 . . . . . A

**Method of estimation**

Description . . . . . pg 14

**Minimum tax credit**

Classified by:

Marital status . . . . . 1.3

Size of adjusted gross income . . . . . 1.4, 3.3

Definition . . . . . pg 68

Reported on returns with itemized

deductions . . . . . 2.2

**Miscellaneous itemized deductions**

Classified by marital status . . . . . 1.3

Definition . . . . . pg 68

Reported on:

Returns with itemized deductions . . . . . 2.1

Classified by marital status . . . . . 2.2

**Miscellaneous medical expenses**

(See Medical and dental expense deduction)

**Modified taxable income**

Classified by:

Marginal tax rate . . . . . 3.4

Tax generated at specific rate . . . . . 3.5

Definition . . . . . pg 68

**Moving expense deduction**

Classified by marital status . . . . . 1.3

Definition . . . . . pg 68

Reported on returns with itemized

deductions . . . . . 2.1

**N****Nondeductible passive losses**

(See also Rent and royalty net income or loss)

Change in law . . . . . pg 5

Classified by 1979 income concept . . . . . B

**Nonjoint returns**

Reported on returns with total

income tax . . . . . 3.2

**Nonsampling errors**

(See Description of the sample)

**Nontaxable returns**

(See also Taxable and nontaxable returns)

Definition . . . . . pg 76

Reported on:

Form 1040A returns . . . . . 1.6

Form 1040EZ returns . . . . . 1.5

Returns with itemized deductions . . . . . 2.1

**O****Other adjustments**

(See also Statutory adjustments)

Classified by:

Size of adjusted gross income . . . . . 1.4

**Other contributions**

(See Contributions deduction)

**Other dependents**

(See Exemptions)

**Other income or loss**

Classified by:

Marital status . . . . . 1.3

Size of adjusted gross income . . . . . 1.4

Definition . . . . .	pg 69
Reported on:	
Returns with itemized deductions . . . . .	2.1
Classified by marital status . . . . .	2.2
<b>Other tax credits</b>	
Classified by:	
Size of adjusted gross income . . . . .	3.3
Definition . . . . .	pg 69
<b>Other taxes deduction</b>	
(See Taxes paid deduction)	
<b>Other than cash contributions deduction</b>	
(See Contributions deduction)	
<b>Overpayment</b>	
Classified by:	
Size of adjusted gross income . . . . .	1.4
Credited to 1989 estimated tax:	
Classified by:	
Size of adjusted gross income . . . . .	1.4, 3.3
Definition . . . . .	pg 69
Refunded:	
Classified by:	
Marital status . . . . .	1.3
Size of adjusted gross income . . . . .	1.4, 3.3
Reported on:	
Form 1040A returns . . . . .	1.6
Form 1040EZ returns . . . . .	1.5
Returns with itemized deductions	
classified by marital status . . . . .	2.2
<b>Overpayment of windfall profit tax</b>	
Classified by:	
Size of adjusted gross income . . . . .	3.3
Definition . . . . .	pg 69

## P

<b>Parent exemptions</b>	
(See Exemptions)	
<b>Parent's election to report child's interest and dividends</b>	
Definition . . . . .	pg 69
Reported on returns with	
modified taxable income . . . . .	3.4, 3.5
Classified by:	
Marginal tax rate . . . . .	3.4
Size of adjusted gross income . . . . .	3.5
<b>Partnership and S Corporation net income or loss</b>	
Classified by:	
Marital status . . . . .	1.3
Size of adjusted gross income . . . . .	1.4
1979 income concept . . . . .	B
Definition . . . . .	pg 70

Reported on:	
Returns with itemized deductions . . . . .	2.1
Classified by marital status . . . . .	2.2
Time series, 1975-1989 . . . . .	A
<b>Passive losses</b>	
Change in law . . . . .	pg 5
<b>Payment with request for extension of filing time</b>	
Classified by:	
Size of adjusted gross income . . . . .	3.3
Definition . . . . .	pg 70
<b>Payments to a Keogh plan</b>	
Classified by:	
Marital status . . . . .	1.3
Size of adjusted gross income . . . . .	1.4
Definition . . . . .	pg 70
Reported on:	
Returns with itemized deductions	
classified by marital status . . . . .	2.2
Time series, 1975-1989 . . . . .	A
<b>Penalty tax on qualified retirement plans</b>	
Classified by:	
Size of adjusted gross income . . . . .	1.4, 3.3
Definition . . . . .	pg 70
<b>Pensions and annuities</b>	
Change in law . . . . .	pg 5
Classified by:	
Marital status . . . . .	1.3
Size of adjusted gross income . . . . .	1.4
1979 income concept . . . . .	B
Definition . . . . .	pg 70
Reported on:	
Returns with itemized deductions . . . . .	2.1
Classified by marital status . . . . .	2.2
Time series, 1975-1989 . . . . .	A
<b>Personal exemption</b>	
(See Exemptions)	
<b>Personal interest deduction</b>	
(See Interest paid deduction)	
<b>Personal interest paid</b>	
(See Interest paid deduction)	
<b>Personal property taxes deduction</b>	
(See Taxes paid deduction)	
<b>Population and sample</b>	
Reported on Forms 1040, 1040A and	
1040EZ . . . . .	C
<b>Predetermined estimated tax penalty</b>	
Classified by:	
Size of adjusted gross income . . . . .	1.4, 3.3
Definition . . . . .	pg 71
<b>Prescription medicine and drug expense</b>	
(See Medical and dental expense deduction)	

**Primary IRA payments**

(See also Individual retirement arrangement adjustment, deductible payments)

Classified by marital status . . . . . 1.3

Reported on:

Form 1040A returns . . . . . 1.6

Returns with itemized deductions . . . . . 2.2

**Processing and management of the sample**

Description . . . . . pg 14

**R****Real estate taxes**

(See Taxes paid deduction)

**Refund**

(See also Overpayment refunded)

Definition . . . . . pg 71

**Regular tax computation**

Classified by:

Size of adjusted gross income . . . . . 3.1

Definition . . . . . pg 71

**Rent and royalty net income or loss**

Classified by:

Marital status . . . . . 1.3

Size of adjusted gross income . . . . . 1.4

Reported on:

Returns with itemized deductions . . . . . 2.1

Classified by marital status . . . . . 2.2

Time series, 1975-1989 . . . . . A

**Rent net income or loss**

Classified by:

Size of adjusted gross income . . . . . 1.4

Definition . . . . . pg 71

**Requirements for filing**

Description . . . . . pg 1

**Retrospective income concept**

Classified by size of adjusted gross

income and 1979 income concept . . . . . B

Description . . . . . pg 6

**Royalty net income or loss**

Classified by:

Size of adjusted gross income . . . . . 1.4

Definition . . . . . pg 71

**S****S Corporations**

(See Partnership and S Corporation net income or loss)

**Salaries and wages**

Classified by:

Marital status . . . . . 1.3

Size of adjusted gross income . . . . . 1.4

1979 income concept . . . . . B

Definition . . . . . pg 72

Reported on:

Form 1040A returns . . . . . 1.6

Form 1040EZ returns . . . . . 1.5

Returns with itemized deductions . . . . . 2.1

Classified by marital status . . . . . 2.2

Time series, 1975-1989 . . . . . A

**Sales of capital assets reported on****Schedule D**

Classified by:

Marital status . . . . . 1.3

Size of adjusted gross income . . . . . 1.4

1979 income concept . . . . . B

Definition . . . . . pg 72

Reported on:

Returns with itemized deductions . . . . . 2.1

Classified by marital status . . . . . 2.2

Time series, 1975-1989 . . . . . A

**Sales of property other than capital assets****net gain or loss**

Classified by:

Marital status . . . . . 1.3

Size of adjusted gross income . . . . . 1.4

Definition . . . . . pg 73

Reported on:

Returns with itemized deductions . . . . . 2.1

Classified by marital status . . . . . 2.2

**Sample design and selection criteria**

Description . . . . . pg 13

**Secondary IRA payments**

(See also Individual retirement arrangement adjustment deductible payments)

Classified by marital status . . . . . 1.3

Reported on:

Form 1040A returns . . . . . 1.6

Returns with itemized deductions . . . . . 2.2

**Self-employed health insurance adjustment**

Classified by size of adjusted gross income . . 1.4

Definition . . . . . pg 73

**Self-employment tax**

Change in law . . . . . pg 5

Classified by:

Size of adjusted gross income . . . . . 1.4, 3.3

Definition . . . . . pg 73

**Separate returns of husbands and wives**

(See also Marital filing status)

Classified by sources of income . . . . . 1.3

**Single persons, returns of**

(See also Marital filing status)

Classified by:

Sources of income . . . . . 1.3

Size of adjusted gross income . . . . . 1.2

**Size of adjusted gross income**

## Classified by:

Marital status . . . . .	1.2
Selected income and tax items . . . . .	1.1
Sources of income . . . . .	1.4
Type of tax computation . . . . .	3.1
Definition . . . . .	pg 73

## Reported on:

Form 1040A returns . . . . .	1.6
Form 1040EZ returns . . . . .	1.5
Returns with itemized deductions . . . . .	2.1
Returns with modified taxable income . . . . .	3.1
Tax generated by rate . . . . .	3.5
Returns with total income tax . . . . .	3.2
Type of exemption . . . . .	2.3

**Size of income**

## Classified by size of adjusted gross

income and by 1979 income concept . . . . .	B
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**Social security benefits**

## Benefits in adjusted gross income:

## Classified by:

Marital status . . . . .	1.3
Size of adjusted gross income . . . . .	1.4

## Reported on:

Returns with itemized deductions . . . . .	2.1
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## Classified by:

Marital status . . . . .	2.2
Size of adjusted gross income . . . . .	1.4
Definition . . . . .	pg 73

**Social security taxes on tip income**

## Classified by:

Size of adjusted gross income . . . . .	3.3
Definition . . . . .	pg 74

**Sources of income**

## (See also specific type)

## Classified by:

Marital status . . . . .	1.3
Size of adjusted gross income . . . . .	1.4

## Reported on:

Form 1040A returns . . . . .	1.6
Form 1040EZ returns . . . . .	1.5
Returns with itemized deductions classified by marital status . . . . .	2.2

**Sources of the data**

## (See Description of the sample)

**Standard deduction**

## (See also Basic and additional standard deductions)

Change in law . . . . .	pg 5
Classified by marital status . . . . .	1.2
Definition . . . . .	pg 74
Reported on Form 1040EZ returns . . . . .	1.5

**State and local income taxes deduction**

## (See Taxes paid deduction)

**State income tax refunds**

## Classified by:

Marital status . . . . .	1.3
Size of adjusted gross income . . . . .	1.4
Definition . . . . .	pg 74

## Reported on:

Returns with itemized deductions . . . . .	2.1
Classified by marital status . . . . .	2.2

**Statutory adjustments**

## (See also specific type)

## Classified by:

Marital status . . . . .	1.3
Size of adjusted gross income . . . . .	1.4
1979 income concept . . . . .	B
Definition . . . . .	pg 74

## Reported on:

Form 1040A returns . . . . .	1.6
Returns with itemized deductions . . . . .	2.1
Classified by marital status . . . . .	2.2
Time series, 1975-1989 . . . . .	A
Type of adjustment . . . . .	1.4

**Surviving spouses, returns of**

## (See also Marital filing status)

Classified by sources of income . . . . .	1.3
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**T****Tax credits**

## (See also specific type)

## Classified by:

Marital status . . . . .	1.3
Size of adjusted gross income . . . . .	1.4, 3.3
1979 income concept . . . . .	B
Definition . . . . .	pg 77

## Reported on:

Returns with modified taxable income . . . . .	3.1
Returns with itemized deductions . . . . .	2.1
Classified by marital status . . . . .	2.2
Time series, 1975-1989 . . . . .	A
Type of credit . . . . .	3.3

**Tax due at time of filing**

## Classified by:

Marital status . . . . .	1.3
Size of adjusted gross income . . . . .	1.4, 3.3
Definition . . . . .	pg 75

## Reported on:

Form 1040A returns . . . . .	1.6
Form 1040EZ returns . . . . .	1.5
Returns with itemized deductions classified by marital status . . . . .	2.2

**Tax from recomputing prior-year investment credit**

Classified by size of adjusted gross income . . . . .	3.3
Definition . . . . .	pg 75

**Tax generated**

## Classified by:

Marginal tax rate . . . . . 3.4

Tax generated at specified rate . . . . . 3.5

Definition . . . . . pg 75

Reported on returns with modified  
taxable income . . . . . 3.1**Tax items**

(See also specific type)

## Classified by:

Marital status . . . . . 1.3

Size of adjusted gross income . . . . . 1.4, 3.3

## Reported on:

Form 1040A returns . . . . . 1.6

Form 1040EZ returns . . . . . 1.5

Returns with modified taxable income . . . . . 3.1

Returns with itemized deductions  
classified by marital status . . . . . 2.2**Tax liability**

## Classified by:

Marital status . . . . . 1.3

Size of adjusted gross income . . . . . 1.4, 3.3

Definition . . . . . pg 78

## Reported on:

Returns with itemized deductions  
classified by marital status . . . . . 2.2**Tax payments**

(See also specific type)

## Classified by:

Marital status . . . . . 1.3

Size of adjusted gross income . . . . . 1.4, 3.3

Definition . . . . . pg 75

Reported on returns with itemized  
deductions classified by marital status . . . . . 2.2

Type of tax payment . . . . . 1.4

**Tax preparation fee**

(See Miscellaneous itemized deductions)

**Tax rates**

(See Tax generated)

Change in law . . . . . pg 6

**Tax-exempt interest**

## Classified by:

Marital status . . . . . 1.3

Size of adjusted gross income . . . . . 1.4

Definition . . . . . pg 76

## Reported on:

Form 1040A returns . . . . . 1.6

Returns with itemized deductions . . . . . 2.1

Classified by marital status . . . . . 2.2

**Taxable income**

## Classified by:

Marital status . . . . . 1.3

Size of adjusted gross income . . . . . 1.4

1979 income concept . . . . . B

Marital status . . . . . 1.2

Size of cumulated adjusted gross income . . . . . 1.1

Tax generated at specified rate . . . . . 3.5

Definition . . . . . pg 76

## Reported on:

Form 1040A returns . . . . . 1.6

Form 1040EZ returns . . . . . 1.5

Returns with modified taxable income . . . . . 3.1

Returns with itemized deductions . . . . . 2.1

Classified by marital status . . . . . 2.2

Time series, 1975-1989 . . . . . A

**Taxable interest received**

## Classified by:

Marital status . . . . . 1.3

Size of adjusted gross income . . . . . 1.4

1979 income concept . . . . . B

Definition . . . . . pg 76

## Reported on:

Form 1040A returns . . . . . 1.6

Form 1040EZ returns . . . . . 1.5

Returns with itemized deductions . . . . . 2.1

Classified by marital status . . . . . 2.2

Time series, 1975-1989 . . . . . A

**Taxable returns**Classified by size of cumulated adjusted  
gross income . . . . . 1.1

Definition . . . . . pg 76

## Reported on:

Form 1040A returns . . . . . 1.6

Form 1040EZ returns . . . . . 1.5

Returns with itemized deductions . . . . . 2.1

**Taxes paid deduction**

Classified by marital status . . . . . 1.3

Definition . . . . . pg 77

## Reported on:

Returns with itemized deductions . . . . . 2.1

Classified by marital status . . . . . 2.2

Time series, 1975-1989 . . . . . A

Type of taxes paid deduction . . . . . 2.1

**Total deductions**

Time series, 1975-1989 . . . . . A

**Total income**Classified by size of adjusted gross  
income and by 1979 income concept . . . . . B

Description . . . . . pg 7

Time series, 1975-1989 . . . . . A

**Total income tax**

As percent of adjusted gross income . . . . . 3.2

Type of tax computation . . . . . 3.1

Average . . . . . 1.1

Type of tax computation . . . . . 3.1

## Classified by:

Marital status . . . . . 1.3

Number of exemptions . . . . . 2.4

Size of adjusted gross income . . . . .	1.4
1979 income concept . . . . .	B
Marital status . . . . .	2.1
Number of exemptions . . . . .	2.3
Size of cumulated adjusted gross income . .	1.1
Definition . . . . .	pg 77
Reported on:	
Form 1040EZ returns . . . . .	1.5
Returns with modified taxable income . . .	3.1
Returns with itemized deductions . . . . .	2.1
Classified by marital status . . . . .	2.2
Time series, 1975-1989 . . . . .	A
<b>Total itemized deductions</b>	
Classified by:	
Marital status . . . . .	1.3
Size of adjusted gross income . . . . .	1.4
Marital status . . . . .	1.2
1979 income concept . . . . .	B
Definition . . . . .	pg 77
Reported on:	
Returns with itemized deductions . . . . .	2.1
Classified by marital status . . . . .	2.2
Time series, 1975-1989 . . . . .	A
Type of deduction . . . . .	2.1
<b>Total personal credits</b>	
<b>Type of return</b>	
Classified by:	
Size of adjusted gross income . . . . .	1.4

**Type of tax computation**

Classified by size of adjusted gross income . .	3.1
Definition . . . . .	pg 78

**U****Unemployment compensation**

Classified by:	
Marital status . . . . .	1.3
Size of adjusted gross income . . . . .	1.4
Definition . . . . .	pg 78
Reported on:	
Form 1040A returns . . . . .	1.6
Returns with itemized deductions . . . . .	2.1
Classified by marital status . . . . .	2.2

**Unreimbursed employee business expense**

(See also Miscellaneous itemized deductions  
and employee business expense)

Reported on returns with itemized deductions . . . . .	2.1
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**W****Windfall profit tax overpayment**

(See Overpayment of windfall profit tax)











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